

# DAILY REPORT

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*China*

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UN ENVOY CALLS ISRAELI ACTION 'DESPICABLE'

OW070740 Beijing XINHUA in English 0724 GMT 7 Feb 86

[Text] United Nations, February 6 (XINHUA) -- Chinese permanent representative to the United Nations Li Luye said here today that the nature of the Israeli interception of a Libyan civilian airliner "is indeed despicable." In a speech at the Security Council, Li said, "The interception grossly trampled underfoot the norms of international law and violated the provisions pertaining to international civil aviation, jeopardizing the safety of the life of the innocent people and the freedom and safety of civil aviation, and constitutes a new threat to the peace and security in the Middle East."

Israeli Air Forces Tuesday intercepted a Libyan jet airliner, on which Israel alleged there were "persons suspected of involvement in the preparation of anti-Israeli terrorist attacks." "The incident of February 4 shows that the Israeli authorities are bent on deliberate violations in total disregard of the resolutions and authority of the Security Council, which should never be countenanced," said the Chinese representative. The U.N. Security Council solemnly warned Israel, after the interception of August 10, 1973 over the airspace of Lebanon, to desist from repeating such acts.

Li said: "The Chinese delegation holds that the Israeli authorities' acts of hegemonism conducted under the pretext of retaliation against terrorism must be resolutely stopped and strongly condemned. Otherwise, the sovereignty and security of the Middle East countries will be subjected to a grave threat, and the world shall be deprived of tranquility." He called upon the Security Council to "adopt forceful measures to effectively prevent any recurrence of interception of hijacking of civilian airplanes."

UK DEMONSTRATORS PROTEST AT U.S. MISSILE BASE

OW070908 Beijing XINHUA in English 0639 GMT 7 Feb 86

[Text] London, February 6 (XINHUA) -- About 5,000 anti-nuclear campaigners today blockaded the proposed second U.S. cruise missile base at Molesworth, 95 kilometers northwest of London. The one-day demonstration started early in the morning. People of all ages, men and women, arrived there in shifts from all over the country, braving the unusually heavy snowfall, to obstruct the construction work of the base. Despite the bitter cold and icy weather, they sat in the four-inch (10 cm) deep snow for hours, kept their spirit up by dancing and singing at the four gates of the base and stopped vehicles getting in or out of it.

The Campaign for Nuclear Disarmament (CND), the main peace movement in Britain which organized today's demonstration, criticized the British Government for letting more nuclear missiles be deployed in this country and at the same time they underlined that they were opposed to nuclear arms race by the United States and the Soviet Union. Since the North Atlantic Treaty Organization (NATO) decided in 1979 to deploy U.S. cruise missiles in Europe, opinion polls in Britain have consistently shown that the majority of the public are against the deployment in the country. Of the 160 U.S. cruise missiles to be deployed in Britain, 64 are due to be sited at Molesworth by 1988. Reportedly, 32, or possibly 48, are already deployed at Greenham Common, the first cruise base. On February 6 last year, 1,500 troops and the same number of police, led by the then Defense Secretary Michael Heseltine, moved in Molesworth during the middle of the night to evict forcibly the peace campers and start construction work. At the end of today's non-violent blockade marking the first anniversary of the eviction, five people were arrested by police for allegedly trying to damage the 10-foot high perimeter fence.



JOINT SINO-U.S. WESTERN PACIFIC SURVEY NEARS END

OW061337 Beijing XINHUA in English 1323 GMT 6 Feb 86

[Text] Beijing, February 6 (XINHUA) -- Chinese and U.S. scientists on board Xiangyanghong No. 14, a Chinese research ship, conducting a joint study of air-sea interaction in the Western Pacific, will soon complete their program one week ahead of schedule.

The State Bureau of Oceanography said here today that the scientists had carried out surveys at 150 observation spots recording data on atmospheric physics, aerology and the marine environment. The Chinese research ship left Guangzhou for the Western Pacific December 12 last year. This is one of eight voyages in the four-year Sino-U.S. joint survey of the relationship between the Pacific and the weather.

AMBASSADOR LORD ATTENDS SPRING FESTIVAL RECEPTION

OW060713 Beijing XINHUA in English 1446 GMT 6 Feb 86

[Text] Beijing, February 5 (XINHUA) -- Huang Zhen, president of the newly established China-U.S. People's Friendship Association, gave a Spring Festival reception here this evening. Among the guests were U.S. Ambassador to China Winston Lord, his wife and other U.S. diplomats.

The association was established on January 11. Huang Zhen was chief of China's Liaison Office in the U.S. The vice-presidents of the association are Yan Dongsheng and Liu Gengyin.

GORBACHEV URGES 'PRACTICAL RESULTS' AT SUMMIT

OW070408 Beijing XINHUA in English 0314 GMT 7 Feb 86

[Text] Moscow, February 6 (XINHUA) -- Soviet leader Mikhail Gorbachev said today that the next Soviet-U.S. summit, due later this year but the specific date is yet to be agreed upon, should produce practical results, or it would have no meaning.

Meeting U.S. Senator Edward Kennedy, who arrived here Tuesday for a visit at the invitation of the Soviet parliament, Gorbachev said his Geneva summit last November with U.S. President Ronald Reagan created conditions for rectifying relations between their two countries, the Soviet news agency TASS reported. "But verbal tribute alone to the understanding of the danger of the present-day situation is no longer enough," Gorbachev was quoted as saying. The Soviet leader stressed that the next superpower summit "should yield practical results, produce serious shifts in the directions that are of greatest importance for the cause of peace." Otherwise, he added, such a meeting would be senseless.

Gorbachev said the Soviet Union is doing everything to ensure a fruitful summit. He cited his latest disarmament proposal as a proof for that. The proposal he announced three weeks ago calls for eliminating all nuclear weapons in the world in three stages by the year 2000. The Soviet arms control plan, Gorbachev claimed, offers a "unique chance" to improve radically the Soviet-U.S. relations and "realize the most cherished dream of peoples about durable peace," TASS said. This chance should not be lost, he added.

At today's meeting, TASS said, Gorbachev and Kennedy also discussed the Soviet proposal for eliminating all Soviet and American medium-range missiles in Europe. Like the proposal to halt nuclear tests, Gorbachev said, no strings are attached to this proposal, barring the pledge by Britain and France "not to build up their respective nuclear arms and not to transfer such weapons to other countries," TASS said. At the talks, Kennedy put forward a number of ideas which he said might contribute to arms reductions, TASS said. They also discussed the need for better mutual understanding based on non-interference in each other's internal affairs, the Soviet news agency said.

SOVIET ECONOMIC CRIMINALS RECENTLY EXECUTED

OW061656 Beijing XINHUA in English 1536 GMT 6 Feb 86

[Text] Moscow, February 6 (XINHUA) -- Criminals involved in larceny, bribery and profiteering by trickery were recently executed or sentenced to prison terms ranging from eight to 15 years, the government newspaper IZVESTIYA has reported. The crimes for which they were sentenced took place a year and a half ago in the Rostov region and involved high officials in the Ministry of Commerce.

As many as 76 persons were convicted as a result of investigations into the economic crimes. The criminals were involved in black market operation dealing mainly in butter and meat, which were in short supply in the region's markets. Money and goods confiscated from members of the gang totaled 700,000 rubles (about 875,000 U.S. dollars). One of the ringleaders of the gang, Bobrov, was the commerce bureau chief of Rostov, who was sentenced to death.

KOREAN COMMITTEE OPPOSES 'TEAM SPIRIT' EXERCISES

OW070856 Beijing XINHUA in English 0819 GMT 7 Feb 86

[Text] Pyongyang, February 7 (XINHUA) -- The United States should immediately cancel its plan to hold a joint military exercise with South Korea, a memorandum issued here yesterday said. The memorandum, released by the Pyongyang-based Korean Committee for Peaceful Reunification of the Fatherland, also urged the United States to withdraw its troops and all nuclear weapons from the Southern part of Korea and stop interfering in Korean affairs.

The United States and South Korean authorities announced on January 18 that they would hold joint military exercises, code-named "Team Spirit-86" from February 10 to late April, with 200,000 troops participating. The memorandum denounced the joint military war games as preparations for both conventional and nuclear war against the Northern part of Korea, as some nuclear weapons and electronic technology are believed to be part of the upcoming exercises. The exercises, the memorandum pointed out, is completely contrary to the spirit of 1986 as the "International Peace Year" and poses a serious challenge to the North-South dialogue and the peaceful reunification of Korea.

The memorandum called on governments, communities and peoples all over the world to back the call for a halt to the U.S.-South Korea joint military exercises' which will disrupt once again the North-South dialogue and create (?tension) on the Korean peninsula.

S.KOREAN UNIVERSITY STUDENTS STAGE DEMONSTRATIONS

OW050836 Beijing XINHUA in English 0829 GMT 5 Feb 86

[Text] Pyongyang, February 5 (XINHUA) -- About 2,000 police were called out to the campus of Seoul National University yesterday to disperse 1,000 students demonstrating against the South Korean authorities, according to the Korea national news agency. The news agency quoted a Seoul radio report as saying the students retaliated with petrol bombs and stones. The demonstration, the largest so far this year, lasted for more than four hours.

The students, from nine different universities in Seoul, held a meeting on the campus to form an inter-college body, the report said. In a statement issued yesterday, the Pyongyang-based Korean Committee for the Peaceful Reunification of the Fatherland condemned the South Korean authorities for suppressing the student movement. It said the movement is not a crime but a patriotic struggle. The statement urged the south Korean authorities to release the 19 students arrested during a three-day occupation of the U.S. Information Service Center in Seoul last May.

CHINESE TRADE EXHIBITION OPENS IN TOKYO

OW061125 Beijing XINHUA in English 1030 GMT 6 Feb 86

[Text] Tokyo, February 6 (XINHUA) -- A Chinese trade exhibition sponsored by the Tokyo Tkashimaya Department Store opened here today. A spokesman for the store said that visitors would see a facet of China's modernization through this exhibition.

Commodities on display include Chinese arts and crafts, garments, food products, porcelain and Chinese herbs. The exhibition will last for 15 days before moving to Yokohama, Osaka, Kyoto and other Japanese cities.



FIGHTERS REPULSE 10 SRV ATTACKS ON YUNNAN FRONT

OWO70444   Beijing XINHUA Domestic Service in Chinese 0206 GMT 7 Feb 86

[By reporter Li Shiyuan]

[Text] Kunming, 7 Feb (XINHUA) -- On the eve of the Spring Festival, the Vietnamese Army continuously launched armed provocations against our Army in the Yunnan border area. The 4th company of a certain regiment of Yunnan's border defense force firmly held their position and was commended in a circular issued by the leading organ at the higher level for having bravely repulsed 10 Vietnamese Army offensives in a day.

On an early morning a few days ago, clouds and fog curled up and wound around a nameless highland. The Vietnamese Army fiercely bombarded our border area. As a result, the nameless highland was enveloped in gunsmoke. The Vietnamese Army then divided its force into three parts and launched an offensive against our Army. Immediately, gunshots, cannon report, and grenade explosions filled the air. Qiang Jun, deputy leader of our 4th company, led a squad to firmly hold the highland's most forward position. He ordered his fighters to take cover well and stop shooting until the enemy was near. Fifty meters, 40 meters, 30 meters...the enemy was getting closer and closer. As soon as Qiang Jun gave his order, fighters' submachineguns and light and heavy machineguns cracked and the enemy fell.

Our Army's sentry post No 5 stood on a commanding height, which the enemy rabidly attempted to seize. Wei Xuedang, leader of the 3d platoon, let four fighters in firmly holding that position. He was wounded three times, but he insisted on fighting. He encouraged the fighters by saying: "The Spring Festival is coming soon. All people in the country are watching us. We must hold our position and defend the people of our motherland who are enjoying the Spring Festival." Li Yicheng, a veteran fighter hailing from the Yimeng mountain region, was urged by his home to return and get married during the Spring Festival period. He said: Without state security, nobody can enjoy happiness. My aspiration is to have all families united. While in combat, he was wounded in the belly and could not stand. He crawled into a trench and used a machinegun to strafe the enemy.

AUSTRIAN FOREIGN MINISTER ON VISIT TO SRV

OWO61918   Beijing XINHUA in English 1909 GMT 6 Feb 86

[Text] Hanoi, February 6 (XINHUA) -- Visiting Austrian Foreign Minister Leopold Gratz said here Thursday that Vietnam, after a long war, should now work towards peaceful reconstruction. The foreign minister told a press conference after a three-hour talk with his Vietnamese counterpart Nguyen Co Thach and a meeting with Chairman Pham Van Dong of the Council of Ministers that he and the Vietnamese leaders had discussed various regional issues including a peaceful solution to the Kampuchean problem. Gratz described the discussions as "useful," and said that his trip to Hanoi is mainly to establish contact with all the parties involved in the Kampuchean issue and to get acquainted with their positions. The foreign minister said, however, that he is not acting as a mediator in his capacity as chairman of the United Nations-sponsored International Conference on Kampuchea.

The Austrian diplomat, who arrived here Wednesday for a two-day official visit to Vietnam, declined to comment on the attitudes taken by different sides concerned, but suggested that the Vietnamese military presence in Kampuchea and the so-called "outside forces" backing the different parties in the country be regarded as obstacles to resolving the problem. Gratz said that all the forces should negotiate without insisting on "pre-conditions" to peaceful negotiation. Observers here noted that the foreign minister still holds his position as chairman of the U.N. International Conference on Kampuchea, a title that Vietnam has been reluctant to acknowledge. Hanoi stressed when it announced Gratz' arrival that he has come to Vietnam only as Austrian foreign minister.

#### PHILIPPINES REPORTS 51 KILLED IN ELECTION VIOLENCE

OW061648 Beijing XINHUA in English 1626 GMT 6 Feb 86

[Text] Manila, February 6 (XINHUA) -- At least 51 people have been killed and many others wounded throughout the Philippines in violence related to the presidential election to be held tomorrow. This was disclosed by Constabulary Chief Lt. Gen. Fidel V. Ramos here today, the PHILIPPINE NEWS AGENCY reported.

Ramos appealed for calm and sobriety in the face of what he called a "rising crescendo" of politically-triggered violence all over the country. He described as "unusually intense" the political rivalry between leaders and followers of the opposing candidates, namely President Ferdinand Marcos and opposition aspirant Corazon Aquino, even at the grass-roots, municipal and city level. He said about 40 people were hurt here yesterday when alleged opposition supporters stoned and shot at people going to attend a ruling party rally. However, he assured the nation of "a generally peaceful election."

About 80,000 constabulary and police personnel have been directly engaged and 5,500 others from the regional unified commands have been in place of augmentation troops. The rest were also alerted and placed on reserve, Ramos said.

PRC-ITALY SPORTS PROTOCOL SIGNED IN ROME

OW070100 Beijing XINHUA in English 0049 GMT 7 Feb 86

[Text] Rome, February 6 (XINHUA) -- China and Italy signed a sports exchange protocol for 1986 here Wednesday. According to the protocol, the two countries will exchange visits of teams in fields like soccer, volleyball, ice hockey, handball, fencing, archery and track and field.

SPANISH PARLIAMENT APPROVES REFERENDUM ON NATO

OW061248 Beijing XINHUA in English 1231 GMT 6 Feb 86

[Text] Madrid, February 5 (XINHUA) -- The Spanish Parliament today voted to hold a referendum on March 12 on Spain's continued membership in the North Atlantic Treaty Organization (NATO).

The approval came after two days of heated debates on the country's policy on peace and security. The vote was 207 in favor, 103 against and 20 abstentions. Socialist and Communist Members of Parliament supported the government proposal while the conservative opposition Popular Coalition Party opposed it. Small centrist parties abstained.

During the debate, Prime Minister Felipe Gonzalez reiterated his position that Spain should stay in NATO without joining the organization's military structure. He said Spain should not permit nuclear weapons on Spanish soil and that it should gradually reduce U.S. military presence in Spain. Spain joined NATO in 1982.

UK GOVERNMENT FINANCES SPACE PLANE STUDIES

OW061353 Beijing XINHUA in English 1317 GMT 6 Feb 86

[Text] London, February 5 (XINHUA) -- Britain will provide up to three million pounds sterling (4.2 million U.S. dollars) over the next two years for studies into the "aerospace plane" known as the horizontal take-off and landing aircraft, or "Hotol" for short. The Department of Trade and Industry, which is to finance the "proof-of-concept" studies, said today the funding will initially cover a six-month period, upon which a review of progress will be made.

The idea, put forward by British Aerospace and Rolls-Royce, is for an eventual manned "transatmospheric" vehicle that would land and take off like a conventional aircraft but soar into near-earth orbit to perform tasks in space, such as satellite launching and repair, and eventually commercial transport. The U.K.'s Hotol scheme was unveiled at the Farnborough Air Show in 1984. Subsequent work to refine the concept has been conducted as a private venture by the two companies. A department spokesman stressed today that initially only "proof-of-concept" studies to determine the feasibility of the idea are being undertaken, and if progress was considered satisfactory the studies would continue for the full two-year period.

The cost for the first six months will be about 750,000 pounds (1.03 million dollars), shared by the British National Space Committee and the companies involved. Comparable research into similar "aerospace planes" or "transatmospheric vehicles" is under way in the United States, where a number of similar studies are underway. Both the U.K. and the U.S. have said that development of Hotols will take a long time, and it will be at least 15 years before a viable vehicle emerges. Scientists and engineers of both countries believe that such vehicles will initially be used for military or purely space-research purposes. It would take much longer, probably not until the next century before they are used for commercial purposes.



XINHUA INTERVIEWS WANG YAOTING ON TRADE WITH GULF

OW061343 Beijing XINHUA in English 1326 GMT 6 Feb 86

[Text] Beijing, February 6 (XINHUA) -- Excellent prospects exist for economic relations and trade between China and the Gulf countries. Wang Yaoting who visited the United Arab Emirates (UAE) last month made this observation in an interview with XINHUA here today. Wang has just retired from his post as chairman of the China Council for the Promotion of International Trade.

Describing his visit to the UAE as successful, Wang said that during his visit he had signed an agreement on friendly cooperation between the China Council and the Chamber of Commerce of Abu Dhabi with chairman of the chamber, Al-'Utaybah. He also presided over a ceremony in the capital of the UAE for establishing a China Center for the Promotion of Trade, the first people-to-people organization to be set up by China in the Gulf region. Wang noted that his visit was followed by Chinese Vice-Premier Yao Yilin's trip to the UAE, Oman and Kuwait last November and State Councillor and Foreign Minister Wu Xueqian's visit to the UAE last December.

An agreement on investment protection between China and Kuwait, and an agreement on economic and technological cooperation and trade between China and the UAE were signed during Yao Yilin's visit to these two countries. These have laid a very good foundation for further expansion of economic relations and trade between China and the Gulf countries and also show that both the Chinese Government and people-to-people organizations attach great importance to developing such relations.

With the strengthening of political relations between China and the Gulf region, economic relations and trade have developed rapidly. The volume of trade has reached several hundred million U.S. dollars. In recent years, Wang said, there has also been cooperation on labor services. China has set up ten or more companies to contract for work on construction, civil engineering, nonferrous metals, metallurgy and aviation technology in Kuwait and the UAE.

Wang said there exist many favourable conditions for developing economic relations and trade in the Gulf region. One of the reasons is that most of the Gulf countries follow free trade policies and do not place restrictions on imports. So this provides China with a vast potential market. The Gulf countries are rich in petroleum resources and have abundant foreign exchange reserves. Their consumer goods are mostly imported. China's traditional exports such as textiles, light industrial products, foodstuffs, and carpets are welcomed in Gulf markets.

In recent years, Wang said, China's annual export volume to these countries has been less than one per cent of the Gulf countries' total import volume of 100 billion U.S. dollars. Wang urged trading departments to improve commodity and packaging quality and increase varieties of export goods so as to meet the needs of the people of the Gulf countries. He hoped for more efficiency especially in transportation so that delivery times could be shortened.

PRC-AIDED RADIO STATION COMMISSIONED IN ZANZIBAR

OW051929 Beijing XINHUA in English 1919 GMT 5 Feb 86

[Text] Dar es Salaam, February 5 (XINHUA) -- A short-wave transmitting station built with China's aid, was commissioned in Zanzibar today. Tanzanian President Ali Hassan Mwinyi presided over the ceremony which was attended by more than 500 people, including Secretary-General of the ruling Tanzanian Revolutionary Party Rashid Kawawa and other senior party and government officials. They gathered in Zanzibar to celebrate the ninth anniversary of the party.

Addressing the ceremony, Zanzibar Minister of Information, Culture and Sports Ramadhani Shabani thanked the Chinese Government for building the radio station and hoped that the fraternal cooperation between Tanzania and China will continue to develop. Chinese ambassador to Tanzania Liu Qingyou also spoke at the ceremony.

Chinese Premier Zhao Ziyang laid the foundation stone for the project at Dole, a few kilometers north of the Zanzibar town when he visited the island in January 1983. The transmitting station will enable radio Tanzania-Zanzibar to be heard throughout North and West Africa and the Middle East.

GU MU MEETS VISITING BRAZILIAN SENATOR

OWO61439 Beijing XINHUA in English 1430 GMT 6 Feb 86

[Text] Beijing, February 6 (XINHUA) -- State Councillor Gu Mu met with Brazilian Senator Roberto Campos here this afternoon. Gu briefed him on China's economic construction and its policy of opening to the outside world.

Campos said China's open policy has achieved great results in a short period, and has attracted worldwide attention. They also exchanged views on the development of bilateral economic and technological cooperation.

XINHUA INTERVIEWS PERUVIAN ENVOY ON TRADE

OWO51203 Beijing XINHUA in English 1125 GMT 5 Feb 86

[Text] Beijing, February 5 (XINHUA) -- Peru hopes to achieve a remarkable trade growth with China this year, Peru's ambassador to China, Roberto Villaran Koechlin, said here in an interview today. Speaking with XINHUA reporters, Villaran expressed the hope that trade volume between the two countries, which amounted to about 60 million U.S. dollars last year, would greatly increase in 1986. "China's open policy has made it possible for our two countries to broaden cooperation and augment the volume of trade," the Ambassador said. He disclosed that China and Peru have signed a trade agreement and that Chinese specialists are at present in Peru helping to dig wells and build small hydroelectric power stations. Peru is interested in agricultural technology and in afforestation. Peru also has deserts and the two countries could cooperate in this field, he added.

Villaran, who assumed his post last December as Peru's sixth ambassador to China, described diplomatic ties between the two countries, which were established in 1971, as very good. "There have never been any problems," he said. He added that both China and Peru are Third World countries and their governments share many views on international issues. Both countries observe the principles of non-interference in each other's internal affairs, independence and non-discrimination. He also expressed the hope for further exchange of personnel and political contacts between the two countries in the future.

CANADIAN PRIME MINISTER TO VISIT PRC 8-12 MAY

OWO60938 Beijing XINHUA in English 0849 GMT 6 Feb 86

[Text] Ottawa, February 5 (XINHUA) -- Canadian Prime Minister Brian Mulroney announced today that he will pay an official visit to China from May 8 to 12, following the world economic summit of major industrialized countries scheduled to be held in Tokyo from May 4 to 6.

His announcement was made in a written statement released here today. The statement said the visit underlines the priority that the government attaches to the greater development of Canada's relationship with the Asia-Pacific region.



CADRES, ORGANS BANNED FROM ENGAGING IN BUSINESS

HK060854 Beijing XINHUA Hong Kong Service in Chinese 1036 GMT 5 Feb 86

["The CPC Central Committee and the State Council Promulgate Regulations on Further Prohibiting Party and Government Organs and Cadres From Engaging in Business and Running Enterprises" -- XINHUA headline]

[Text] Beijing, 5 Feb (XINHUA) -- On 4 February, the CPC Central Committee and the State Council promulgated regulations on further prohibiting party and government organs and cadres from engaging in business and running enterprises.

The regulations of the CPC Central Committee and the State Council point out: Since the CPC Central Committee and the State Council issued, in December 1984, the decision on strictly prohibiting party and government organs and cadres from engaging in business and running enterprises, most enterprises run by party and government organs have either suspended operations or severed their links with the party and government organs, and most party and government cadres engaging in business or running enterprises have either returned to their units or given up their party or government posts. However, this unhealthy tendency has not been completely curbed. Some party and government organs and cadres still adopt various tricks to continuously engage in business and run enterprises; some party and government leading cadres still concurrently hold posts in enterprises; some relatives take advantage of the relationships and influence of leading cadres to engage in business or run enterprises; and some serious irregularities in commercial dealings and the running of enterprises, particularly those involving certain leading cadres, have not been properly dealt with. It can be very harmful if party and government organs and cadres engage in business, run enterprises, take advantage of their positions and powers to seek private gain, and feather their nests at public expense.

In an effort to resolutely curb this unhealthy tendency, the CPC Central Committee and the State Council have made further stipulations on some relevant issues:

1. No party or government organs, including organs of party committees, organs of state power, administrative organs, judicial organs, and procuratorial organs at all levels, or their subordinate institutions, are allowed to engage in business or to run enterprises. All enterprises that are still operating in violation of the stipulations, including those which have not severed their links with the organs concerned, as they should have done, or which have overtly severed their links but covertly not done so, must immediately suspend operations or thoroughly sever their links with the organs concerned, no matter which authorities have previously approved their operations.

2. With the exception of the special cases approved by the Secretariat of the CPC Central Committee and the State Council, no cadres, workers, or staff members of the above-mentioned organs, including those cadres who have withdrawn to the second line, are allowed to hold posts in various enterprises. Those who hold posts in enterprises must immediately resign from the enterprises or give up their posts in the party or government organs.

No in-service cadres, workers, or staff members are allowed to engage in business or to run enterprises by taking leave without pay. They should either give up their posts in the enterprises and resume their work in the original units or relinquish their public office.

3. With the exception of those approved by the Secretariat of the CPC Central Committee and the State Council, no retired cadres of the above-mentioned organs are allowed to hold posts in state-run enterprises. They are allowed to hold posts in non-state-run enterprises only after they have been retired for 2 years, but they are still not allowed to hold posts in enterprises under the jurisdiction of the organs where they formerly worked. After the retired cadres hold posts in enterprises, they will no longer be eligible for the treatment accorded to retired cadres according to the state regulations.

4. Those cadres, workers, and staff members who participate in illegal business activities or afford other people the opportunity of carrying out illegal business activities should be punished according to party and administrative discipline, and the leading cadres concerned should be severely dealt with. Those violating the criminal laws should be punished according to the law.

5. No child or spouse of a leading cadre who works at party and government organs or at their subordinate institutions is allowed to temporarily leave a post to engage in business or to run an enterprise. Those who do not work at party and government organs or at their subordinate institutions are not allowed to take advantage of the influence and relationships of leading cadres to engage in business, to run an enterprise, or to seek profit illegally. Those violating the stipulations should be seriously dealt with. All their ill-gotten gains should be confiscated.

6. After the enterprises run by party and government organs, or their subordinate institutions, or their cadres suspend operations, the departments in charge of professional work directly responsible for giving approval should be responsible for winding up the work. Both the departments in charge of professional work directly responsible for giving approval and the enterprises concerned should jointly assume economic and legal responsibilities for any losses, bankruptcies, inability to pay debts, or other serious consequences caused by illegal business dealings. Moreover, it is also necessary to investigate and determine the responsibility of personnel concerned.

7. With regard to applications for the establishment of enterprises, the industrial and commercial administrative organs should examine and approve them in strict accordance with the relevant state regulations. They should adhere to principle and act according to the law. Actions will be taken against those who neglect their duties. Leading cadres at all levels are not allowed to interfere with industrial and commercial administrative organs in exercising their functions and powers according to the law.

8. These regulations are applicable to mass organizations such as the CYL, women's federations, federations of literature and art circles, associations for science and technology, and various associations and societies, as well as the cadres, workers, and staff members of these organizations. If special cases make it necessary for these organizations to set up noncommercial enterprises, they should report to the State Council or the provincial, autonomous regional, and municipal people's governments for approval.

9. Problems in labor service companies set up with the purpose of providing employment to youths and in enterprises set up by town or township authorities or neighborhood committees will be investigated and studied by the departments concerned and separate regulations will be made.

10. The question of Army organs and cadres running enterprises should be dealt with according to the "provisional regulations on armed forces engaging in production, business, and foreign trade", approved and issued by the State Council and the Central Military Commission in May 1985. The State Council and the Central Military Commission will make separate regulations on specific issues.



The CPC Central Committee and the State Council call on party committees and governments at all levels to resolutely implement these regulations and to strictly enforce orders and prohibitions. Those refusing to implement the regulations will be seriously dealt with; actions will also be taken against the leaders concerned. The discipline inspection commissions and the industrial and commercial administrative organs at all levels should supervise the implementation of the regulations in close coordination with the organization, personnel, auditing, tax, banking, judiciary, and other departments. The CPC Central Committee and the State Council also pointed out that if previous relevant regulations do not conform to these regulations, the new regulations will supersede all others.

#### QIAO SHI, BO YIBO AT PARTY RECTIFICATION MEETING

OWO61355 Beijing XINHUA Domestic Service in Chinese 0756 GMT 6 Feb 86

[Text] Beijing, 6 Feb (XINHUA) -- After completing their scheduled tasks, the second-stage party rectification inspectors' groups sent to various localities by the Central Commission for Guiding Party Rectification have recently been recalled. The General Office of the Central Commission for Guiding Party Rectification held a party rectification inspectors work report meeting in Beijing recently. Comrades attending the meeting extensively exchanged reports on the situation, reviewed experiences, evaluated their performance and problems in party rectification work at the prefectural and county levels on the basis of seeking truth from facts, analyzed trends in rural party rectification work, and presented positive proposals on the task of correcting the whole party's work style.

Qiao Shi, member of the CPC Central Committee Political Bureau and head of the leading group for correcting the party's work style in the central organizations; Bo Yibo, permanent vice chairman of the Central Commission for Guiding Party Rectification; and other leading comrades of the central authorities and the Central Commission for Guiding Party Rectification met with the comrades attending the meeting and delivered speeches. Qiao Shi pointed out that the central party, government, and Army organizations must strive to score marked achievements in correcting the party's work style before the end of this year. Bo Yibo called on the General Office of the Central Commission for Guiding Party Rectification to firmly grasp two things before the end of this year: One is to strive to firmly grasp party rectification work in units at and below county level, mainly rural townships and villages, as well as city neighborhoods, in cooperation with the party committees of the various provinces, autonomous regions, and municipalities under the central government. The other is to assist in firmly grasping the work of correcting the party's work style in central organizations, organizations in various provinces, autonomous regions, municipalities under the central government, and other units which have implemented party rectification; and to assist in consolidating and developing achievements in party rectification.

At the beginning of the second-stage party rectification in March last year, the Central Commission for Guiding Party Rectification sent seven party rectification inspectors groups to northeastern, northern, northwestern, southwestern, central-south, and eastern China. Within a year, with the warm support and assistance of party committees in the various provinces, autonomous regions, and municipalities under the central government, the various party rectification inspectors groups had accomplished a great deal and familiarized themselves with the situation, discovering problems, reviewed experience, made proposals; in other aspects of work, they centered on party rectification at the prefectural and county levels. They have made positive contributions to the promotion of second-stage party rectification work.

The comrades of the inspectors groups attending the meeting unanimously maintained that, generally speaking, under the leadership of the party committees of the central authorities, provinces, autonomous regions, and municipalities under the central government, prefectural and county-level party rectification has developed healthily with marked achievements.



In some aspects, it has made new progress and development, compared with first-stage party rectification. It was manifested mainly in the following facts: 1) Relatively more systematic education in party spirit, ideals, party discipline, and party purpose was effected among the broad masses of party members and cadres who are party members, resulting in some enhancement of the party members' political and ideological qualities; 2) the work of correcting the party's work style was relatively more firmly grasped, and a number of people with serious problems were sternly investigated and handled, thereby stopping unhealthy tendencies; 3) widespread understanding by party members and cadres who are party members with respect to the policies of opening up to the outside world, enlivening the domestic economy: reform was further enhanced, thus lending impetus to the economy and reform work; and 4) in connection with the inspection of party rectification, a number of leading bodies were readjusted. The work of purifying organizations was also meritorious. All this has created good conditions for strengthening party building in the new period, and for promoting socialist material and spiritual civilizations. The major problem existing in prefectural and county-level party rectification was that development was very uneven, with a considerable number of units carrying out party rectification work in a generalized way, while a small number of other units were doing a relatively poor job. It is necessary for party committees at higher levels to adopt powerful measures to guide, supervise, and help those units continue to solve the existing problems on the basis of conscientious inspection.

When talking about rural party rectification, the comrades of the inspectors groups pointed out: Since the Central Commission for Guiding Party Rectification issued the circular on the planning of the rural party rectification work, the various localities have, in accordance with the demand of the circular, carried out concrete planning of rural party rectification work in their respective localities in light of present realities. Currently, most of the township-level party rectification is being systematically implemented and is developing favorably. The crux is to continue to firmly grasp the models and to strengthen the work of providing concrete and classified guidance. At the same time, it is necessary to further study and solve important issues of policy and limitations in rural party rectification.

During the meeting, the comrades studied important speeches and instructions recently made by Hu Yaobang, Deng Xiaoping, Chen Yun, and other central leading comrades concerning improvement of party style. The consensus is that, since the meetings of cadres of the central organs, an excellent situation has emerged in party rectification and improvement of party style, and that, as long as leaders at all levels enhance their understanding, achieve unity of thought, refrain from empty talk, do more solid work, eradicate bureaucratism and the unhealthy practice of shielding one another, and earnestly take the lead in improving party style, we shall certainly be able to achieve greater results than we have already achieved in improving party style among all party members, in line with the requirements set by the party Central Committee.

On the afternoon of 1 February, Qiao Shi, Bo Yibo, and other leading comrades of the party Central Committee and the Central Commission for Guiding Party Rectification met with the members of the inspectors groups at Huarentang Hall in Zhongnanhai. Comrades Qiao Shi and Bo Yibo praised the inspectors for having done a tremendous job, and thanked them on behalf of the party Central Committee and the Central Commission for Guiding Party Rectification.

After the meeting, Bo Yibo made a speech. He pointed out: In order to successfully carry out party rectification and improve party style, it is necessary to focus attention on the following three aspects: First, it is necessary to carefully study the central authorities documents and grasp the ideological weapon and material dialectics; second, it is necessary to increase investigation and study to obtain first-hand information; and third, it is necessary to uphold the principle of party spirit in boldly struggling against unhealthy tendencies.

He said: We should study the basic principles of Marxism-Leninism-Mao Zedong Thought, as well as resolutions by the party Central Committee and speeches by the leading comrades of the Standing Committee of the Central Political Bureau since the 3d Plenary Session of the 11th CPC Central Committee. The series of important documents adopted by the party Central Committee, and important speeches by the leading comrades of the Standing Committee of the Central Political Bureau, which have integrated Marxism with China's practical experience in socialist construction, provide guidance in successfully instigating reform and the modernization drive. We should diligently, meticulously, and repeatedly study these documents and speeches, and insightfully understand their spiritual essence in order to follow correct guidelines in our work, and correct orientation in our advance. He said: Conducting in-depth investigations to obtain first-hand information is the premise and foundation for effectively carrying out our work, and there should be no exception as far as the work of party rectification and improvement in party style is concerned. Currently, there are some people, or should we say a handful of people, who, divorced from the ideological line of seeking truth from facts, do not tell the truth, adopt an ostentatious style, and even play tricks to deceive higher authorities. It is not an easy job to conduct investigations to obtain first-hand information under such circumstances. Therefore, it is necessary to effectively remove obstacles, including all sorts of connections and networks, and master the skill and methods for conducting investigation and study under the new situation, so as to realistically, accurately, and thoroughly familiarize ourselves with the situation, learn how things stand, and do our work well.

Bo Yibo added: It has been 2 years and 2 months since party rectification was initiated, and work at prefectural and country levels will soon be completed. It is necessary to make conscientious efforts and to guard against perfunctoriness in carrying out party rectification at units under country level.

In his speech, Qiao Shi said: Large numbers of people inside and outside the party have been greatly inspired by the party Central Committee's determination to improve party style, as reflected in the meetings of cadres of the central organs called by the central Secretariat, and the establishment of a leading group to improve party style among the central organs. It should be noted that, in the course of party rectification over the past 2 years, the majority of units engaged in party rectification have solved quite a few problems about party style. On the basis of their achievements, we are fully confident that we shall certainly be able to bring about a fundamental improvement in party style by continuing to make solid efforts for 1 or 2 years in accordance with the party Central Committee's instructions on improving party style. Of course, we must demonstrate our determination and confidence with concrete actions. He said: The leading group on improving party style among the central organs is stepping up its efforts to, first of all, tackle a number of major cases. It will investigate each case and mete out punishment according to party discipline or the law without sparing anyone's sensibilities. It will ignore connections and stress only party discipline and state laws. Central party, government, and Army organs should strive to achieve marked results in improving party style this year. With the central organs truly playing an exemplary role, the work of improving party style among all party members should not be difficult.

#### 'BRIGHT PROSPECTS' FOR TIGHTENING DISCIPLINE SEEN

HK070717 Beijing RENMIN RIBAO in Chinese 3 Feb 86 p 1

[Commentator's article: "There Are Bright Prospects for Really Tightening Party Discipline"]

[Text] The Seventh Plenary Session of the Central Discipline Inspection Committee, which recently concluded, stressed further enhancing party spirit, improving party style, and tightening party discipline under the new situation.



This meeting was another important meeting following that of the central organ cadres. It once more demonstrated our party's determination to improve party style.

The broad masses of people have for some time strongly reacted to two aspects of political life in our society. One is that the party's line and policies are good, prompting an improved economic situation and higher living standards for the people year after year. This is obvious to all and has won universal praise. The second is that the style of some party members and cadres is very bad, affecting general practices in society and not corrected in good time. The masses of people have a deep hatred for this and some people even for some time doubted whether it was possible to effect a fundamental change for the better in party style and society's general practices. The issue of party style is matter of life and death for the party. The masses of people have their eyes on our party and the whole country is looking at Beijing. In the beginning of January of this year, the party Central Committee and the State Council expressed their views at the meeting of central organ cadres held by the CPC Central Committee Secretariat. Now the Central Discipline Inspection Commission, in charge of discipline inspection work, has again held a plenary session to implement the policy decision of the party Central Committee. The party Central Committee's attitude is resolute and its measures are effective. The broad masses of party members and people have been greatly encouraged and their hopes and confidence greatly reinforced.

We should never be softhearted in stopping unhealthy trends. Some cases are very clear and yet they have been read and commented on by one person after another without being properly handled. Comment after comment is made before and after investigating these cases; there has been procrastination. At present, those who enforce party discipline and state laws are often softhearted and overly lenient. Why are they softhearted? Are they trying to spare somebody's feelings? Can they not afford to offend somebody? Are they bound hand and foot by a "network of connections?" Or are they themselves involved in some problems? It is worthwhile for leading organs and leading cadres encumbered with these problems to think clearly. It is not difficult to get tough either. Leading organs and leading cadres simply take the lead and set a good example. Leading bodies at a higher level must first do what they demand of their subordinate organs and must refrain from doing what is forbidden to subordinate organs', leading cadres must first practice what they demand of ordinary cadres. If the party's leading cadres, senior cadres in particular, are "ill," they should welcome others "diagnosis and treatment" and should "take the medicine" on their own initiative. "Improve oneself to govern the people." If leaders are not involved in any problems, they will have no worries, will have strong backing, and will dare to, and can, handle difficult problems.

A most important sign of overcoming softheartedness is to impartially enforce the law and to ensure equality for everybody before state laws and party discipline. If discipline is enforced among some people and not enforced among others, how can it still be called discipline? How can our orders and prohibitions be effective then? In our country, we do not allow the existence of "special citizens" on whom laws have no binding force. In our organs and organizations, we do not allow "special cadres" on whom administrative discipline has no binding force. Inside out party, we do not allow "special party members" on whom party discipline has no binding force. Anyone who has violated the law or discipline shall be sternly punished no matter if he is a senior cadre, the child of a senior cadre, or a well-known or public figure. If these people have violated the law, they will do greater harm and their punishment will enhance better results by enforcing the law. Therefore, we should make a point of not letting them go unpunished. Senior cadres must adopt a resolute, clear, and unequivocal attitude toward their children or dependents who have committed crimes. They should firmly support concerned departments meting out punishment according to the law. Otherwise, they will be held directly or indirectly responsible for the crimes.



Straightening out party style has long been a practical problem and not a theoretical one. In judging rights and wrongs, people usually "listen to what a person says and watch what he does." In some localities and departments, many slogans on stopping unhealthy trends have been shouted and many meetings held and yet the results are not satisfactory. The reason is very simple: They talk much but do little, make great efforts in the beginning but slacken toward the end, or even give up halfway. In order to stop unhealthy trends, we must share the persevering spirit of the foolish old man who removed the mountains and set a style of doing things with the power of a thunderbolt and the speed of lightning. We must also be tough about enforcing the law impartially. The remarks about our party made by the masses of people have always been fair: Once it has made up its mind, the Communist Party will certainly achieve what it intends to do. The masses have put it correctly; what we are going to do remains to be seen. Therefore, we say that there are bright prospects for really tightening party discipline.

'FIRST PHASE' OF ARMY REORGANIZATION ENDS

OW061251 Beijing XINHUA Domestic Service in Chinese 0255 GMT 6 Feb 86

[Text] Beijing, 6 Feb (XINHUA) -- Support-the-Army activities across China have taken on a new look as all localities are actively supporting the Army in reorganization.

The new year and Spring Festival of 1986 mark the successful conclusion of the first phase of the Army's reorganization [jun dui di yi jie duan zheng bian 6511 7130 4574 0001 7132 3008 2419 4882] and the beginning of a new phase. In carrying out the Spring Festival support-the-Army activities, all local governments and departments concerned are acting in response to the circular of the CPC Central Committee and the State Council which called on them to respect and love the Army and actively support the Army's reform and Army-building efforts. They are seriously summing up and reviewing the work they have done in the past year in support of Army reforms and Army building to see how well they have done in those matters concerning the Army's structural reform and reorganization that must be handled by the localities, whether there is anything that has not been done very well, and what steps should be taken to improve their work. The various localities have all taken concrete measures to support PLA units in solving actual problems. They are striving to do an even better job in support-the-Army work by keeping in mind what is urgently needed, desired, and required by the PLA units.

The first batch of Army cadres transferred to civilian work because of the Army's streamlining reorganization have already assumed work posts in the localities. Since making arrangements for the transferred Army cadres involves many quarters and entails meticulous and complicated work, it is personally handled by the principal responsible comrades in all provinces, autonomous regions, and municipalities. Concrete efforts are made to solve problems with respect to making job placements for the transferred Army cadres, their salaries and living quarters, employment for their dependents and schooling for their children. They have thus been fairly successful in satisfying all three groups -- the PLA units, the transferred cadres themselves, and the units that accept them. Last year, the transfer of division level cadres in large numbers was, for the first time, incorporated into the state plan. These cadres have served for a long time in the Army and made great contributions in Army building. The local governments have therefore taken some measures to see that appropriate arrangements are made for them where possible and paid attention to giving full play to their role. By the end of last year, the number of division level transferred Army cadres received in various localities reached 97.3 percent of the total number targeted in the plan.

Many provinces, autonomous regions, and municipalities have laid down rules that call for favored consideration to a proper extent when making arrangements for those transferred Army cadres who have performed exploits in combat, been models, or served a long time at border and coastal defense posts. Jilin Province has received 17 transferred Army cadres who have had the honor of winning a second class or higher merit. All of them have been given job placements in the organs directly under the province or in the prefecture or city level units. Shanghai Municipality has set up a development and service center for dual-purpose qualified personnel among retired Armymen to help transferred Army cadres improve their qualifications. Similar organizations have been set up in all of its districts and counties. This has opened channels for job placement. Among the first batch of more than 14,000 transferred Army technician cadres coming into Hebei Province, more than 98 percent have landed jobs similar to the ones they had in the Army.

As scheduled in the Central Military Commission's reduction-in-strength reorganization plan, county-level People's Armed Forces departments will be transferred to the localities as part of the local government establishment this year. In combination with their new year and Spring Festival support-the-Army activities, local governmental departments at various levels have assisted the Army in making many preparations for this change. Many northwest China localities are carrying out activities to "urge People's Armed Forces departments' cadres to stay" in the localities. In some prefectures and counties, the party and government leading comrades have paid house visits to their People's Armed Forces department's cadres to explain achievements in local economic construction and long term development planned; they have earnestly urged these cadres to remain in their localities and continue to make contributions there. The party and government organs and people in Yanan, carrying forward the tradition of "supporting the Army and giving preferential treatment to the families of Armymen," have actively solved problems and difficulties for the cadres of the local People's Armed Forces departments, enabling them to keep their minds on their work after their departments have been incorporated into the local establishment.

On new year's eve, the party and government leading comrades of Chengde Prefecture and Chengde City, Hebei Province, traveled over 1,000 kilometers to four counties, where they solicited opinions from the PLA units stationed there, publicized and popularized Luanping County's experience in supporting the PLA units to carry out reduction in strength reorganization, and studied the method to help the deactivated PLA units manage their Army property and various military facilities. The people on an island off the coast of Zhejiang, after a tearful send-off for the men of a deactivated PLA unit, divided the military facilities on the entire island into 17 separate entities and assigned specially-appointed personnel to take charge of each of them in an effort to help the PLA unit manage the facilities well. The fishermen say: Now that the Army has moved away from the island, the actual support-the-Army deed is to help the PLA manage the military facilities well.

#### AIRBORNE ELECTRONIC COUNTERMEASURE SYSTEM CERTIFIED

WA071200 Shanghai JIEFANG RIBAO in Chinese 22 Dec 85 p 1

[Text] A few days ago, China's most advanced airborne electronic countermeasure system passed its technical certification by concerned state organs at an Air Force unit in the Nanjing Military Region.

The electronic countermeasures system is a major weapon in modern warfare used to disrupt and destroy radar, communications, and command-and-control systems and to mask aircraft in surprise attacks on the enemy. As such, it plays a decisive role in the course and outcome of modern battles. This new electronic countermeasures system is mounted on fighter aircraft and was certified after a test period of 6 months. It is capable of detecting enemy radar and disrupting its operation, depriving the enemy of control over his weapons and paralyzing his command system.

YANG DEZHI VISITS BEIJING NAVY, AIR FORCE UNITS

OW070131 Beijing XINHUA Domestic Service in Chinese 1239 GMT 6 Feb 86

[By reporter Chen Xiangnan]

[Text] Beijing, 6 Feb (XINHUA) -- Yang Dezhi, member of the Political Bureau of the CPC Central Committee and chief of the General Staff of the People's Liberation Army, visited certain Navy and Air Force grass-roots units in Beijing today.

In the morning, Yang Dezhi arrived at the 6th company of a certain unit under the Navy signal general station and extended greetings to fighters who were busy working. Later, he arrived at a certain Air Force unit's meteorological service station in the Beijing Military Region located on Longtanhu. Cadres and fighters of this station were praised by people of all circles for having bravely saved a student who fell into an icy lake. While launching activities of armymen and people promoting spiritual and material civilization together, they were repeatedly commended by Beijing Municipality as an advanced collective and pacesetter unit. Yang Dezhi was very happy to hear this and encouraged the commanders and fighters to do their work still better.

Hong Xuezhi, deputy secretary general of the Military Commission of the CPC Central Committee, accompanied Yang Dezhi on the tour.

YU QIULI, QIN JIWEI VISIT PLA TANK UNIT

OW060946 Beijing XINHUA Domestic Service in Chinese 1422 GMT 5 Feb 86

[By reporter Liu Huinian]

[Text] Beijing, 5 Feb (XINHUA) -- Yu Qiuli and Qin Jiwei today visited a unit of the tank force under a group army of the Beijing Military Region. Yu Qiuli is a member of the Political Bureau of the CPC Central Committee and director of the PLA General Political Department, while Qin Jiwei is an alternate member of the Political Bureau of the CPC Central Committee and commander of the Beijing Military Region. On behalf of the CPC Central Committee, the State Council, and the Central Military Commission, they extended Spring Festival greetings to the commanders and fighters.

At the drill ground of the tank unit in a Beijing suburb, Yu Qiuli and Qin Jiwei, braving cold weather, watched the tank crew's basic training on tank operation, communications and firing, and their gymnastic performance. Beside the tanks, Yu Qiuli and Qin Jiwei carefully inspected equipment made by the tank unit in the course of training and reform and asked the fighters about their training. Then, they visited the barracks and asked the fighters about their barracks life. Yu Qiuli felt the fighters' mattresses and bedding. The fighters told him: "They are very warm." Yu Qiuli said happily: "Good."

In the barracks, Yu Qiuli and Qin Jiwei sat with the fighters and chatted with them. They asked the fighters about their study, life, and work, and encouraged them to learn and help one another and make progress together in the glorious PLA. Yu Qiuli urged the cadres and party members in PLA companies to display further their exemplary role in the course of Army building, put other people's interests ahead of their own, strictly enforce discipline, participate in party activities, and practice democratic centralism well. He said: If cadres and party members of the PLA companies do this, the companies will have a new outlook.

Yang Baibing, political commissar of the Beijing Military Region, accompanied Yu Qiuli and Qin Jiwei on the visit.



ZHAO ZIYANG, OTHERS INSPECT SHANTOU, CHAOZHOU

OWO70357 Beijing XINHUA Domestic Service in Chinese 1522 GMT 6 Feb 86

[By reporter Cai Dongshi]

[Excerpts] Guangzhou, 6 Feb (XINHUA) -- Comrades Zhao Ziyang, Hu Qili, and Tian Jiyun inspected the Chaozhou and Shantou areas and the Shantou Special Economic Zone 2-5 February, praising the fine situation and correct methods adopted there after the policy of opening to the outside world and invigorating the domestic economy was implemented. They encouraged the cadres and masses to make the best use of favorable conditions and avoid the unfavorable ones in developing economic construction and to accumulate new experiences in rejuvenating the economy in coastal areas.

After arriving in Shantou, Comrade Zhao Ziyang and his entourage took a station wagon to the Chaozhou City eel farm, the radio porcelain plant, the electric flocking plant, the Fengzi Pottery Research Institute, the Shantou City textile mill, the Gongyuan photo-sensitive chemicals factory, the Supersonic Instruments Research Institute and several other joint ventures in the special economic zone. They also visited peasants, workers, and primary school teachers in the Fengzi No 1 Township of Chaozhou City and the new residential area in Shantou City. In the evening, they also toured a business center composed of several hundred individual commercial households and vendors.

Comrade Zhao Ziyang said: In both rural and urban areas, the situation in the Chaozhou and Shantou areas is fine, and such areas have taken a correct path. Comrades Hu Qili and Tian Jiyun also pointed out: From the urban area to the countryside, Shantou flourishes and its people lead a good life. From here, we feel the tempo of our nation forging ahead.

Comrade Zhao Ziyang pointed out: The Chaozhou and Shantou areas have local advantages such as the coastal location, a warm climate, fertile land, the hometowns of many Overseas Chinese, and fairly high educational standards and managerial expertise. However, there are also some disadvantages, such as limited land. The average acreage of land is only slightly over 4 fen per person. The areas also lack natural resources. Efforts must be made to exploit advantages and avoid drawbacks, and fully utilize our favorable conditions so that all qualified people and available land are put to best use. Carrying out reforms and opening up to the outside world has provided the Chaozhou and Shantou areas with favorable conditions in fostering strengths and circumventing weaknesses. It is necessary to actively develop and strengthen economic ties between foreign and domestic trade, adjust our economy to boost foreign trade and improve our capabilities in earning more foreign exchange. By earning more foreign exchange, we will be able to procure more grain, further readjust the production mix in agricultural production, and establish a brand new production system with emphasis on the manufacture of products to earn more foreign exchange.

During their inspection tour, Comrades Zhao Ziyang, Hu Qili, and Tian Jiyun were extremely concerned over the work of introducing advanced foreign technology and improving it. They carefully listened to a Shantou City Supersonic Instruments Research Institute report on importing technology on a large scale and speeding the propagation of new technology and products. They unanimously believed that the path taken by this institute is correct.

While actively building material civilization, the Chaozhou and Shantou areas also pay full attention to developing spiritual civilization. In the past 2 years, the pace in promoting economic developments has quickened and the general mood in society has improved in these areas. Comrade Hu Qili held a special forum for briefings on various departments concerned.

He pointed out: The experience in the Chaozhou and Shantou areas indicates that the policy of opening up to the outside world and invigorating the domestic economy does not contradict the practice of rectifying party style and improving the general mood in society. It is entirely possible to achieve the goal in developing material and spiritual civilization simultaneously as put forward by Comrade Deng Xiaoping. This precisely reflects China's characteristics in developing socialist modernization. He called on party organizations at all levels to strengthen themselves organizationally, develop ideological and political work with definite objects in mind, strive to help cadres improve their qualities, and make improving party style and the policy of invigorating the economy supplement and promote each other.

During their tour, Zhao Ziyang and his entourage witnessed some cases involving the unauthorized use of land to build houses. They showed great concern in this regard, repeatedly pointing out: The illegal use of large tracts of arable land will give us endless trouble in the future. Land is extremely valuable in the Chaozhou and Shantou areas. We must double our efforts in cherishing and saving land. The leadership at all levels should adopt effective economic and legal measures to halt unauthorized use of land for housing and guide rural areas in developing high-rise buildings.

#### XI ZHONGXUN, WANG ZHAOGUO FETE NEW COMPATRIOTS

OW070220 Beijing XINHUA Domestic Service in Chinese 1600 GMT 6 Feb 86

[By reporter Fan Liqing]

[Text] Beijing, 6 Feb (XINHUA) -- The United Front Work Department of the CPC Central Committee hosted an informal banquet at the Beijing Hotel this evening in honor of some people who returned from Taiwan or abroad and settled on the mainland in recent years.

The banquet hall was permeated with a jubilant festive atmosphere. Invited to attend the banquet were Huang Shunxing, a noted Taiwan non-Kuomintang personage and Taiwan's former "member of the Legislative Yuan" who returned recently; Yuan Xiaoyuan, a former "deputy of the National Assembly" and currently member of the National Committee of the CPPCC; Peng Hongwen, member of the National Committee of the CPPCC; and Yang Ximei, Yue Lun, Xie Yuchen, Peng Peigen, Zhu Butang, Jia Shizeng, Wu Guozhen, Tian Xiangkui, and Liao Qiuzhong.

Xi Zhongxun, member of the Political Bureau of the CPC Central Committee, and Wang Zhaoguo, member of the Secretariat of the CPC Central Committee, were present at the banquet. Xi Zhongxun made an impromptu speech before the banquet. He said: China needs unity, peace, and construction. We must make efforts in these three aspects. China's unity means unity among the Chinese people, including the Taiwan compatriots. China's peace means we do not want war and that we also hope no countries in the world want war, so that instead they can spend money for production and construction and improve the people's livelihood. China's construction includes reforms. Yan Mingfu, head of the United Front Work Department of the CPC Central Committee, proposed a toast. He said: Seated with us here are old friends with whom we have worked for years and quite a few new friends who recently returned and settled on the motherland's mainland. I deeply believe the motherland's reunification and our nation's prosperity are our common aspiration as well as our common goal. Let's march forward hand in hand.

Also present at the banquet were Li Gui, Jiang Ping, Li Ding, Ping Jiesan, Yang Zhengmin, Yang Side, Su Ziheng, Li Liyun, and other responsible persons of departments concerned.

YAO YILIN, BO YIBO AT FOREIGN TRADE BANQUET

OW041617 Beijing XINHUA in English 1449 GMT 4 Feb 86

[Text] Beijing, February 4 (XINHUA) -- Economic and trade representatives from many countries and regions, and foreign commercial officials stationed in China, were honored at a Spring Festival reception here tonight. The reception was given by the China Council for the Promotion of International Trade.

Its chairman, Jia Shi, said the council had for many years enjoyed support and co-operation from foreign friends in the development of overseas trade and the promotion of mutual understanding with peoples of countries all over the world. He hoped trade and economic and technological co-operation between China and other countries would continue to grow.

Present at the reception were Vice-Premier Yao Yilin and Honorary Chairman of the Council Bo Yibo.

YAO YILIN, GU MU AT SPRING FESTIVAL TEA

OW061018 Beijing XINHUA Domestic Service in Chinese 1318 GMT 5 Feb 86

[Excerpt] Beijing, 5 Feb (XINHUA) -- Yao Yilin, vice premier of the State Council, and State Councillor Gu Mu attended a tea this afternoon to greet the Spring Festival together with members of the State Council Councillors office and researchers and special researchers of the Central Research Institute of Culture and History. The average age of the 54 councillors is 79 and that of the 18 researchers and special researchers is 80. The majority of them are either members of the democratic parties or persons with no party affiliation.

Gu Mu extended greetings to them and wished them good health and longevity. He said: The party central committee recently called on the central organs to take the lead in improving party style in the country. It is hoped that comrades who are present today will offer constructive suggestions to help us improve our work.

LI PENG VISITS BEIJING TEACHERS, SCHOOLS

OW070046 Beijing XINHUA Domestic Service in Chinese 1400 GMT 6 Feb 86

[By reporter Li Shangzhi]

[Text] Beijing, 6 Feb (XINHUA) -- Li Peng, member of the Political Bureau and Secretariat of the CPC Central Committee, vice premier of the State Council, and minister of the State Education Commission, visited teachers at Jingsong Vocational Middle School and the Welfare Village Center Primary School in Chaoyang District, Beijing, this afternoon. He extended regards and respects to the rank-and-file teachers.

At Jingsong Vocational Middle School, Li Peng held discussions with the teachers, and he asked detailed questions about teaching at the school. He said: We must vigorously develop vocational education to meet the needs of the four modernizations. We have taken the right approach in running vocational high schools. The vocational schools must attach great importance to vocational and moral ethics in order to bring up students with lofty ideals, who are law-abiding and who love their vocations, and who are competent in work and willing to serve the people.



During discussions with teachers at the Welfare Village Center Primary School, Li Peng inquired about their work, livelihood, and teaching. He told the teachers: Primary school is an important stage for laying the foundation of one's life. The students are the flowers and the future of the motherland, and you are the industrious gardeners. Through your hard work and labor, the students are able to grow up in an all-round way morally, intellectually, and physically.

LI PENG HONORS FOREIGN EXPERTS BUREAU AT BANQUET

OW061654 Beijing XINHUA in English 1541 GMT 6 Feb 86

[Text] Beijing, February 6 (XINHUA) -- Foreign experts of long service to China were honored at a Spring Festival banquet given by the Foreign Experts Bureau of the State Council here this evening. Vice-Premier Li Peng, on behalf of the Chinese Communist Party Central Committee and the State Council, expressed heartfelt thanks to them for their contributions to the Chinese people's revolution and construction. Among the guests were nearly 40 experts who are now working in Chinese press and publishing institutions and universities. Most of them came to China around the founding of the People's Republic of China in 1949.

Present were also Vice-Chairman of the National People's Congress Standing Committee Huang Hua, and State Councillors Ji Pengfei and Zhang Jingfu.

WAN LI AT CELEBRATION HONORING NOTED PROFESSOR

SK050131 Beijing City Service in Mandarin 1000 GMT 27 Jan 86

[Text] On the afternoon of 26 January, the Beijing Medical College held a celebration in honor of Professor (Ye Gongshao), nationally noted specialist on juvenile health affairs, who had engaged in teaching, scientific research, and popularizing science for 50 years. Leading comrades, including Wan Li, He Dongchang, and Cui Yueli, attended the celebration to extend their congratulations on his achievements.

After graduating from the Beijing Xiehe Medical College in 1935, Professor (Ye Gongshao) chose the field of preventive medicine, regarded the health of young people as his life-long career, and has industriously worked in this regard for half a century. Under the concern shown by the party and the state, he has made important contributions to improving the status of juvenile health in the country. Over the past few years he has continued to research and write despite his old age and has often published articles on popularizing science in some periodicals. Therefore, Professor (Ye Gongshao) is not only a medical specialist, but also a social activist. Over the past many years he has continuously worked to peacefully reunify Taiwan with the motherland and achieve an early reunion of family members on the two shores of the Taiwan Strait.

At the celebration, Professor (Ye Gongshao), who is now 77 years old, happily stated: The current situation in our country is very good. I will never let the party and the people down and will do my very best in regard to health affairs.

CHEN MUHUA VISITS BANK PRESIDENTS IN TIANJIN

SK070509 Tianjin City Service in Mandarin 0030 GMT 7 Feb 86

[Text] Chen Muhua, alternate member of the Political Bureau of the CPC Central Committee, state councillor, and president of the People's Bank of China, arrived in Tianjin Municipality to conduct investigation and study.

She came to the Tianjin branch office of the People's Bank of China on the morning of 6 February to visit the presidents of various specialized banks in the municipality, extend Spring Festival greetings to them, and ask them to convey her Spring Festival greetings to all workers and staff members in banking circles.

She also delivered a speech on her investigations conducted in the municipality over the past few days. In her speech Comrade Chen Muhua stressed: Banks should improve their work style and service, and should guard against situations where people find it difficult to enter banks and handle affairs and where customers are served with impolite remarks and faces. The credit cooperatives should delve into the rural areas, and the industrial and commercial banks should delve into the enterprises and neighborhoods. Support should be given to post offices to run the deposit business. Along with the constant development of the banking business, we must pay attention to training the cadres of various banks. The existing cadres should study, and new cadres should be trained. If possible, some specialized schools and temporary training classes should be opened.

Comrade Chen Muhua arrived in Tianjin on 1 February and returned to Beijing on the afternoon of 6 February.

#### QIAO SHI GREETES POLICE ON SPRING FESTIVAL

OW070135 Beijing XINHUA Domestic Service in Chinese 0915 GMT 6 Feb 86

[By reporter Zou Qiquo]

[Text] Beijing, 6 Feb (XINHUA) -- Qiao Shi, member of the Political Bureau and the Secretariat of the CPC Central Committee and secretary of the Central Commission of Political Science and Law, visited the armed police detachment in Tiananmen and the police station on West Changan Street under the Xicheng Subbureau on the Beijing Municipal Public Bureau this morning to extend greetings to cadres and policemen working hard on public security and judicial fronts during the Spring Festival.

The armed police detachment safeguarding the national flag in the Tiananmen Square is known as the "guard of the national flag." Qiao Shi arrived at the armed police detachment together with Liu Fuzhi and Chen Weida, deputy secretaries of the Central Commission of Political Science and Law, Ruan Chongwu, minister of public security, and Li Lianxiu, commander of the armed police force. After their arrival, Detachment Commander Wang Zhongxiang gave a briefing on the detachment fighters' mental state, training, and everyday life. Qiao Shi told the fighters on the national flag squad: "You perform an honorable duty of guarding the national flag. We all salute you. I hope you will continue to exert yourselves to do even a better job."

In the police station on West Changan Street, Qiao Shi had a cordial conversation with the cadres and policemen. Station head Wang Chongxun told Qiao Shi and other comrades that residents living under the police station's jurisdiction always seek their assistance in solving problems. Qiao Shi said: "It is good that the people are willing to visit the police station to report their problems. Police cadres and policemen should try their utmost to serve the masses. I wish you greater successes in the coming new year."

HAO JIANXIU VISITS ORPHANS, DISABLED SOLDIERS

OW070243 Beijing XINHUA Domestic Service in Chinese 1342 GMT 6 Feb 86

[By reporter Luo Changhua]

[Excerpts] Beijing, 6 Feb (XINHUA) -- Hao Jianxiu, member of the CPC Central Committee Secretariat, visited orphans and handicapped children at the Beijing Municipal Children's Welfare Center this afternoon and extended her regards to its medical and health workers and teachers. She hoped that all of society would show concern for and support the welfare services for children. The children's welfare center employs 108 workers and staff members. Hao Jianxiu said to them: Your job is hard work. I hope that you will bring up these children as you would your own.

Hao Jianxiu today also visited disabled soldiers living at a social welfare center.

HAO JIANXIU ADDRESSES LITERARY, ART WORKERS

OW060304 Beijing XINHUA Domestic Service in Chinese 1201 GMT 5 Feb 86

[By reporters Sun Xiaoming and Zhang Sutang]

[Text] Beijing, 5 Feb (XINHUA) -- Hao Jianxiu, member of the Secretariat of the CPC Central Committee, today called on China's middle-aged and young literary and art workers to conscientiously study Marxist-Leninist literary and art theories, delve deep into the realities of life, actively participate in the development of the four modernizations program, and strive to create more and better literary and art works in the new year, reflecting the spirit of our age.

The CYL Central Committee and the All-China Youth Federation today invited more than 20 middle-aged and young literary and art workers to attend a discussion meeting. Fan Zeng, Shi Guangnan, Jiang Dawi, Qu Xianhe, Fang Shu, Chen Zufen, Zhang Changzhi, and Zhu Chunyu delivered speeches at the meeting. They expressed their determination to contribute to developing China's cause in literature and art.

Hao Jianxiu praised literary and art workers for their achievements in developing literature and art in recent years. She said: Literary and art workers, particularly middle-aged and young ones, must clearly define three types of responsibilities: The first is political responsibility. We must use artistic forms to instill communist ideas into people's minds, arouse them to forge ahead, go all out to make the country strong, and develop the four modernizations program. The second is social responsibility. We must adopt a serious attitude toward literary and art works and influence society and people with our lofty spirit. The third is educational responsibility. We must use healthy literary and art works and performances to help young people foster a correct world outlook, raise their aesthetic interests, and cultivate new people of socialism. She hoped that the middle-aged and young literary and art workers will live up to the expectations of the party and the people.

Also attending the discussion meeting were Song Defu, first secretary of the CYL Central Committee; and Liu Yandong, member of the CYL Central Committee and chairman of the All-China Youth Federation.



BAINQEN ERDINI WISHES HAPPY NEW YEAR TO XIZANG

OW061854 Beijing XINHUA in English 1844 GMT 6 Feb 86

[Text] Beijing, February 6 (XINHUA) -- Bainqen Erdini Qoigyí Gyanincain, vice chairman of the National People's Congress Standing Committee, today expressed his best wishes to Tibetans in China and abroad for the Tibetan new year. He addressed more than 1,000 Tibetans studying or working here, at a gathering in the Central Institute for Nationalities. The Bainqen Lama said that local authorities in the Tibet Autonomous Region were resolutely carrying out central government policies. He called on the students to study hard so that they could make positive contributions to the construction of Tibet.

Ngapoi Ngawang Jigme, also vice-chairman of the National People's Congress Standing Committee, also spoke at today's gathering. The Tibetan new year falls on Sunday, the same day as the traditional Chinese new year.

LI PENG INSPECTS WUXI MICROELECTRONICS COMPANY

OW030329 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 31 Jan 86

[Text] Deciding that Wuxi should be built into a microelectronics industrial base during the Seventh 5-Year Plan period, the state has approved the expanded construction of the Wuxi Microelectronics Research and Production Company, according to XINHUA RIBAO.

Li Peng, member of the CPC Central Committee's Political Bureau and vice premier of the State Council, recently inspected the company and urged its cadres, workers, scientists, and technicians to blaze a new path for developing China's electronics industry in order to contribute to gradually manufacturing a electronic parts and components of our own.

Formed by the Jiangnan Radio Equipment Plant and the Wuxi Microelectronics Research Center of the Ministry of Electronics Industry, the company was inaugurated in June last year. Following the current expansion, the company will adhere to the state-stipulated principle of digesting and developing imported technologies and then creating our own and, with the semiconductor plants of the company and in the province and the related colleges and institutes as the main body, organize scientific research, trial manufacture, production, and education units. At the same time, capitalizing on the rather strong electronics and accessory industries in Jiangsu Province and Wuxi City, the company will organize coordination and cooperation of different types at different levels to conduct research into and develop new, large and ultralarge integrated circuits. It is anticipated that the company will manufacture one group of new products of a certain circuit each year for use in production and daily life, with their output, rate of finished product, and reliability reaching the international advanced level.

OVERHAUL OF FOREIGN TRADE COMPANIES VIEWED

HK060101 Beijing GUOJI SHANGBAO in Chinese No 81, 16 Jan 86 p 2

[Report: "Ministry of Foreign Economic Relations and Trade Decides To Further Overhaul and Rectify All Kinds of Foreign Trade Companies"]

[Text] Our writer reports from relevant sources that in order to carry out the spirit and requirement of the State Council's "notice on further overhauling and rectifying companies." The Ministry of Foreign Economic Relations and Trade has decided to improve and rectify all kinds of foreign trade companies in China.

The following are the main points of ministry's notice on further overhauling and rectifying all kinds of foreign trade companies:

A. The Scope of the Overhaul and Rectification

The target of the overhaul and rectification is the various foreign trade companies established before the end of 1985, including all the general import and export companies of various specialities under the Ministry of Foreign Economic Relations and Trade, branch import and export companies in various provinces, autonomous regions, and municipalities directly under the central government; local trade companies in various provinces, autonomous regions, municipalities directly under the central government and cities instituting separate listing in the state plans; trade companies in Guangdong and Fujian Provinces and in Shenzhen, Shantou, Zhuhai, and Xiamen Special Economic Zones; foreign economic and technological trade companies in 14 coastal open cities; and productive enterprises or enterprise combines directly engaged in foreign economic relations and trade. The enterprises which have already been overhauled and rectified should be further overhauled and rectified if necessary.

B. Contents and Requirements for Overhaul and Rectification

1. All the trade companies must economically separate themselves from the party and government organs according to the relevant document of the State Council on separating the functions of the government from those of the enterprises, implement independent business accounting systems and independent management systems, and be responsible for their own profits and losses. The party and government cadres can either work for the trade companies or work for the party and government institutions, but cannot work for both of them at the same time. This means that if they want to work for the trade companies, they must resign from their party or government posts.

2. All kinds of trade companies must do business on a scale approved by the state. Except for companies approved to conduct import trade, all foreign trade companies must fulfill the foreign exchange earning quota set by the state. Newly-established trade companies must have an export volume of \$5 million after 3 years of foreign trade. Those trade companies which only import and only spend foreign exchange but cannot earn foreign exchange for the state or cannot fulfill the foreign exchange earning quota set by the state, those companies which do not have a stable source of goods, or "briefcase companies" which vie with one another for a source of goods, must be overhauled and rectified. The range of business of some of these companies should be readjusted, while some of them should be merged and some should be cancelled.

We must organize a force to examine the facts and strictly punish or cancel according to the law and relevant regulations those trading companies engaged in illegal operations, such as illegally buying up essential production means and commodities badly needed on the market, engaging in reselling commodities at a profit, in speculation, profiteering and swindling, illegally reselling foreign exchange at a profit, and forcing prices up, as well as availing themselves of loopholes in the reform of the economic structure.

3. The establishment of all foreign trade companies must be officially approved by the Ministry of Foreign Economic Relations and Trade or by the foreign economic relations and trade department (or commission, or bureau) of the relevant province, autonomous region, municipality directly under the central government and city instituting separate listing in the state plans. These trade companies must have clear rules and regulations, business scopes as well as catalogues of the goods to be imported and exported, and must register with relevant industrial and commercial administrative departments by presenting an official document of approval.

The import and export trade companies whose operations have not been approved by the above mentioned state organs must be strictly dealt with and even cancelled. According to the present regulations, companies below the provincial level are not allowed to conduct import and export trade. Companies engaged in international financial business, international contracting business, and consultative services are not allowed to import and export. Generally speaking, local companies are not allowed to establish their general companies, and are not allowed to establish branch companies in other provinces and cities, either, but are allowed to establish offices in other provinces and cities to deal with the relevant business contacts. However, they should not be allowed to carry out foreign trade. The productive enterprises and enterprise combines directly engaged in foreign trade can only engage in import and export trade on their own or with their affiliated productive enterprises, but cannot act as agents charging commissions to other units.

4. The companies established in the economic development zones in the 14 coastal open cities can only serve the construction of the economic development zones, export the products of the open cities and import the products needed by the open cities, but cannot carry out foreign trade for other areas.

5. All kinds of foreign trade companies must have funds which conform with their business scope (including registered funds and self-owned funds), facilities and staff. They must have clearly-defined authorities and subordinates, complete financial systems, organizational institutions, and leading bodies.

6. At present, only the state enterprises can carry out foreign trade. Collective enterprises and individuals are not allowed to engage in foreign trade.

After overhaul and rectification, we should totally rationalize the structure of the enterprises and clearly define the division of labor, which will be beneficial to the increase of the economic results and the implementation of the various state policies concerning our country's foreign economic relations and trade. All kinds of foreign trade companies must meet the following requirements:

1. When separating the functions of the government from those of the enterprises, all kinds of foreign trade companies must become economic entities which have independent business accounting systems and self-management systems and are responsible for their own profits and losses.

2. Foreign trade companies must conscientiously carry out the state's general and specific policies, observe the state's laws, rules and regulations, and do business strictly according to the business outlines approved by the relevant authorities. The import and export companies must have stable sources of goods which can find a good market and reliable import channels. Companies engaged in economic and technological trade or consultative services must be equipped with a professional staff and adopt necessary work measures.

3. Foreign trade companies must fulfill the various state plans for foreign trade. All foreign trade companies must be subordinate to the unified administration of the Ministry of Foreign Economic Relations and Trade and the foreign economic relations and trade department (commission or bureau) of the relevant province, city and autonomous region, and according to the relevant regulations, submit business reports and documents concerned to the departments responsible for the work of foreign economic relations and trade at various levels.



4. After the overhaul and rectification, the responsible departments should strengthen their guidance and assistance to the foreign trade companies under their control. The separation of the functions of the government from those of enterprises does not mean that the administrative departments will not administer the enterprises. On the contrary, the administrative departments should strengthen their leadership and administration. If the enterprises make mistakes in their operations or carry out illegal operations, the administrative departments should be held responsible for that.

#### C. Methods of Overhaul and Rectification

The method of "respective responsibilities, and respective examinations and approvals" will be adopted in their overhaul and rectification.

1. All foreign trade general companies should make their own plans of overhaul and rectification, and then submit them to the Ministry of Foreign Economic Relations and Trade for examination and approval;
2. Foreign trade companies under the various ministries and committees of the State Council will be overhauled and rectified by their own responsible departments. Their plans for overhaul and rectification should be submitted according to their respective specialities to the relevant departments of the Ministry of Foreign Economic Relations and Trade for examination and approval;
3. The branch companies under the Ministry of Foreign Economic Relations and Trade and the branch companies of the various ministries and committees of the State Council in various provinces, autonomous regions, municipalities directly under the central government and cities instituting separate listing in the state plans, will be overhauled and rectified under the leadership of their respective general companies. The respective general companies should submit their plans for overhaul and rectification to the relevant local foreign economic relations and trade department (commission or bureau) for examination and approval, and then report to the Ministry of Foreign Economic Relations and Trade for the record;
4. The local foreign trade companies in various provinces, autonomous regions, municipalities directly under the central government and cities instituting separate listing in the state plans will be overhauled and rectified by local administrative departments responsible for foreign economic relations and trade. The overhaul and rectification plan made by the local administrative department should be submitted to the Ministry of Foreign Economic Relations and Trade for Examination and approval. If local foreign trade companies which have already been overhauled and rectified need to be further overhauled and rectified, this method can also be applied;
5. Foreign trade companies in Guangdong and Fujian Provinces will be overhauled and rectified under the leadership of the departments responsible for foreign trade in both provinces according to the above method. After the overhaul and rectification, these foreign trade companies should report the situation to the Ministry of Foreign Economic Relations and Trade for the record;
6. Overhauling and rectifying the foreign trade companies in Shenzhen, Shantou, Zhuhai, and Xiamen Special Economic Zones and in Hainan Special Administrative Region will be the responsibility of the economic and trade administrative departments in those areas. Their plans for overhaul and rectification should be submitted to the provincial economic and trade department for examination and approval, and then submitted to the Ministry of Foreign Economic Relations and Trade for the record.

7. Overhauling and rectifying the economic, technological, and trade companies in 14 coastal open cities will be the responsibility of the responsible departments of the local people's governments in those areas, which will, after the overhaul and rectification, report the situation to the economic relations and trade department (commission or bureau) of the relevant provinces, autonomous regions, and municipalities directly under the central government for examination and approval, and to the Ministry of Foreign Economic Relations and Trade for the record;

All kinds of foreign trade companies must also submit the following documents:

1. The document issued by the higher authorities to approve the establishment of the company;
2. The business license issued by the industrial and commercial administrative department;
3. The company's rules and regulations and business scope foreign trade companies must also submit catalogues of imported and exported goods;
4. The certificate of funds (including registered funds and actual funds) issued either by the bank with which the company has opened its account or by the responsible financial department of the higher authorities;
5. The company's legal address, telephone and telex numbers, its number of employees, and the names and education backgrounds of the leading cadres of the company;
6. A report on the business scope and operation of the company dating back from the time the company was established.

In the overhaul and rectification, all responsible units and departments in charge of the examination and approval must conscientiously do this work. If there are serious consequences because of their carelessness in the work, they will be responsible both legally and economically.

The names of the companies which have been examined and approved will be published in GUOJI SHANGBAO; the companies which have not been examined and approved are banned from carrying out foreign trade, and the customs areas and banks must refuse to let these companies go through formalities.

#### D. Time Limits for Overhaul and Rectification

From the day this notice is received, all the responsible departments must immediately organize a force to carry out the investigations and examinations of the foreign trade companies administered by them and put forward suggestions on overhauling and rectifying these companies to the Ministry of Foreign Economic Relations and Trade. This work must be finished within 3 months. As soon as the Ministry of Foreign Economic Relations and Trade receives the reports, it will carefully discuss and examine them with the responsible departments. The time for the discussion and examination will not exceed 3 months. Overall overhaul and rectification will most probably be finished by the end of the 3d quarter of 1986.

This time, overhaul and rectification will deal with many things. The situation is complicated. We must strictly carry out the relevant state policies in accomplishing this arduous task. All the departments and localities must strengthen their leadership over this work, set up a special department to take charge of this work, and cooperate with the industrial and commercial administrative departments, customs areas and banks in this matter.

#### GUANGMING RIBAO ON THEORIES OF ECONOMIC LEVERS

HK030035 Beijing GUANGMING RIBAO in Chinese 18 Jan 86 p 3

[Article by Bai Shui and Yu Zhongyi: "Make Use of Economic Levers, Strengthen Macro-control: Roundup on the First National Symposium on the Theory of Economic Levers"]

[Text] The first national symposium on the theory of economic levers was held in Leshan City, Sichuan Province, last November. The symposium discussed certain problems in the theory and application of economic levers. Now let us summarize the main problems and views discussed at the symposium.

#### I. The Concept of Economic Levers

The views on the concept of economic levers can be summed up as follows:

The first view held that economic levers are methods socialist countries use to regulate economic relationships between immediate and long-term interests and between partial and overall interests. They include legal, administrative, educational and economic methods.

The second view held that economic levers refer to economic methods people use to guide social life to a fixed target by observing the law governing material benefit and by means of material inducement. Economic levers consist of the following four factors: 1) The main body, which is composed of the state, enterprises, and institutions; 2) the object to be regulated by economic levers, that is, social reproduction; 3) the driving force, that is, material inducement, which is the nucleus and soul of economic levers; and 4) the purpose, which is to guide microeconomic activities with macroeconomic plans.

The third view held that economic levers make an impact on people's interests through the distribution of social products and national revenue and therefore indirectly regulate the social economy. Participants with this view maintained that only the method of distribution could be taken as an economic lever. More accurately, only the method of distribution that affects partial and individual interests through its regulation of the social economy can be referred to as an economic lever.

The fourth view held that the concept of economic levers can be interpreted as the ratio between dependent variability and independent variability. In other words, economic levers display their regulatory role by changing the numerical value of their independent variability so as to affect their dependent variability. People's frequent reference to taxation, price, and credit levers is only a way of saying things accepted through common practice; strictly speaking, this is not scientific.

#### II. The Functions and Role of Economic Levers

The participants had the following views with regard to the functions and role of economic levers:



Some participants remarked that economic levers have only one function, that is, a regulatory function regulating the relationship between different economic forms, economic activities in the key links of social reproduction, and the distribution and redistribution of national revenue.

Others maintained that economic levers have various functions, five of which can be listed as follows: 1) distributing and redistributing national revenue; 2) encouraging production and operational units to improve management, save natural and labor resources, and achieve better economic results; 3) regulating both the microeconomy and the macroeconomy; 4) controlling major economic activities within the scope of coordinated national economic development; and 5) obtaining reliable economic information for economic forecast, policymaking, and the formulation of plans.

Still others held that economic levers have an "incentive" function according to the law governing material benefit.

### III. The Conditions for Applying Economic Levers Well

Some participants were of the opinion that the following four conditions are necessary for applying economic levers well: 1) It is necessary to understand the necessity for the existence and development of economic levers in the present stage and that economic levers have different roles and characteristics as compared with other economic regulatory methods; 2) it is necessary to thoroughly smash the two "big pots" in terms of economic management, in order to change the situation in which enterprises only care about making profit but are not responsible for their losses; 3) it is necessary to work out a correct medium- and long-term plan for national economic development so as to set an explicit target for the application of economic levers; and 4) it is necessary to perfect the information network and the information feedback system.

Other participants held that the prerequisite for bringing the role of economic levers into play is to establish and perfect various types of economic regulatory systems, which include a flexible price regulatory system, a credit regulatory system beneficial to macroeconomic management, a taxation regulatory system, and an export policy suited to opening up to the world and invigorating the domestic economy.

Still others said that to bring into play the positive role of economic levers, it is necessary to set up a perfect authoritative organ in charge of the application of economic levers and to form an economic legal system

The participants remarked that to bring into play the positive role of economic levers in macroeconomic management, it is necessary to observe the following principles:

1. The principle of comprehensive application. There are many types of economic levers, and they are related to each other and restrict each other. Therefore, it is necessary to persist in the principle of comprehensive application of economic levers.
2. The principle of applying economic levers with a fixed purpose in mind. The purpose of applying economic levers in our country is to enable the national economy to develop in proportion and coordination.

3. The principle of applying economic levers in a selective way. In the same economic activity, different economic levers are sometimes used for the same purpose. In such cases, it is necessary to select good economic levers.

4. The principle of applying economic levers according to different economic spheres. Not only do economic levers have different objects to regulate, but they also have different spheres to display their regulatory role. Therefore, it is necessary to observe the principle of applying economic levers according to different economic spheres. For example, some economic levers are used to regulate the first stratum -- the macroeconomy, and others are used to regulate the second stratum -- the microeconomy.

Some participants maintained that economic levers should be classified into two types to facilitate their use. The first type is classifying economic levers into four sectors such as prices, financial taxation, loans and interest, and wages and bonuses. This classification is beneficial to the comprehensive application of economic levers. The second type is classifying economic levers according to their functions and the objects directly regulated in the distribution of national revenue. To make this more specific, we can list several systems (categories) as follows: The profit regulatory system, which involves prices and sales tax; the profit-retention regulatory system, which involves income tax, regulatory tax, and interest; the investment regulatory system, which involves finance, credit, depreciation, and taxation; and the consumption regulatory system, which involves wages, bonuses, taxation, and interest. This classification is good for both the division and coordination of economic levers.

#### LI XIANNIAN URGES CARE FOR OLD, SUPPORT FOR YOUNG

HK050955 Beijing RENMIN RIBAO in Chinese 26 Jan 86 p 4

[Article by Li Xiannian, originally carried by ZHONGGUO LAONIAN [CHINA'S ELDERLY] No 1, 1986: "Support the Young People, Show Concern for the Old Comrades and Take Care of the Old People"]

[Text] The spring of 1986 has arrived. At the invitation of the editorial department of the magazine ZHONGGUO LAONIAN, I hereby wish to say Happy New Year and extend my best regards to all the old cadres, workers, peasants and intellectuals of our country as well as to all elderly Overseas Chinese living abroad.

Since the 3d Plenary Session of the 11th CPC Central Committee, the political stability and unity of our country has become stronger and stronger. To cement unity, it is very important to render support to the young cadres in their work. In the course of readjusting leading bodies at various levels, some old comrades have withdrawn from the "frontline" and a large number of young people have been promoted to leading bodies at various levels. This is necessary for the development of our party's cause. In terms of the young cadres, they are actually not too young, they are generally in their 40's or 50's. Some of them have worked for decades and some for more than 10 years. The old comrades who remain in working posts or who have vacated their "frontline" leading posts should all bestow warm and sincere support upon these young people so that they can make decisions on problems without hesitation, work on their own initiative and give full play to their creativeness. In particular the old comrades who remain in working posts should make things convenient for the young cadres and must not create difficulties for them, and should give them real support, not false support.

When the old comrades retire from their leading posts, this does not mean that they have come to the end of their career for the realization of communism. There is no such thing as retirement when it comes to fighting for communism. The old comrades should still act as advisers in finding out about the situation, identifying and tackling problems, suggesting ways and means for improving work, passing on experience, and drawing historical lessons. We must especially explain to the young the setbacks we met with so that they will not make the mistakes we made and particularly will not make serious mistakes under the new situation. This is also a way of supporting newly-promoted cadres.

Newly-appointed cadres must be given time to become acquainted with their work. When they are confronted with difficulties or when they make mistakes, it is imperative for the old comrades to show them loving care and give them support. Dare the old comrades say that they have not made any mistakes? Regardless of the seriousness and nature of the mistakes they made, they must conscientiously draw lessons from these mistakes and help young people to make fewer mistakes or less serious mistakes.

Respecting the old and the worthy is a traditional virtue of our nation and party. Leading comrades and organizations at various levels should show concern for the retired old comrades. Particularly in the old revolutionary bases, the majority of the old revolutionary bases, the majority of the old cadres have retired. They have made no small contribution to the revolution and socialist construction, but many of them are suffering from diseases and deformity. Meanwhile, in the vast rural areas and numerous factories, there are hundreds of thousands of retired workers and staff members and millions of old men who have also rendered service to the revolution. According to relevant regulations adopted by the central authorities, we must take good care of them show concern for them, and help them contribute their remaining vigor to the four modernizations. We must ensure that they enjoy a peaceful old age.

It is my hope that the magazine ZHONGGUO LAONIAN will become more popular among the old and provide them with more and better nourishment for the mind.

#### FORMER AMBASSADOR APPOINTED AMITY GROUP HEAD

OW031628 Beijing XINHUA in English 1622 GMT 3 Feb 86

[Text] Beijing, February 3 (XINHUA) -- Former Chinese Ambassador and Vice Foreign Minister Zhang Wenjin has been appointed president of the Chinese People's Association for Friendship With Foreign Countries. Former President of the association Wang Bingnan has become adviser to the association, and Ling Qing, former Chinese permanent representative to the United Nations, its vice-president.

In an interview with XINHUA here today Zhang, 71, said: "I was a government official for more than 30 years. It is my great honor to serve as president, and will work for the development of people-to-people diplomacy. I will do my best to strengthen friendship and mutual understanding between the Chinese people and people from all over the world."

Zhang pointed out that the association had a fine reputation. Soong Ching Ling, the late honorary president of the country, had been honorary president of the association. And Deng Yingchao, chairman of the National Committee of the Chinese People's Political Consultative Conference, was now its honorary president. Zhang said the association would arrange many activities for International Peace Year this year.



The association would also continue to strengthen its ties with friendship organizations of various countries, and to play host to more foreign friends.

Zhang was ambassador to Pakistan, Canada and the United States.

FOREIGN FIRMS OPEN MORE REPRESENTATIVE OFFICES

OW061715 Beijing XINHUA in English 1514 GMT 6 Feb 86

[Text] Beijing, February 6 (XINHUA) -- More than 520 enterprises from 34 countries and regions set up representative offices in China last year, according to the State Administration for Industry and Commerce. This brought the total number of representative offices in the country to 1,446.

An administration official said enterprises owned by foreigners, Overseas Chinese and compatriots in Hong Kong and Macao had been eager to set up resident offices in China since the country started pursuing its open policy seven years ago. This enabled them to increase their contacts with Chinese counterparts. The past two years had seen a big increase in the trend. More than 900 offices had been set up during the period.

According to the China Enterprise Registration Yearbook, compiled and published by the administration, Japanese companies set up the most resident offices (360), followed by Hong Kong and Macao firms (230) and United States enterprises (120). The official said the number of resident offices set up by the United States and West European countries had grown quickly over the past two years.

Representative organizations were spread across the country. Beijing housed 537, Guangzhou 140, Shanghai 120 and Shenzhen 47. Others were based mainly in coastal cities, such as Tianjin, Dalian, Qingdao and Xiamen. Some foreign enterprises had also set up representative offices in inland cities, such as Chengdu in Sichuan Province, Lanzhou in Gansu Province and Harbin in Heilongjiang Province.

Up to the end of last year, more than 2,300 Sino-foreign equity joint ventures, over 3,700 contractual joint ventures and 120 wholly-foreign enterprises had been set up throughout the country, according to the Ministry of Foreign Economic Relations and Trade.

FUJIAN CPC CIRCULAR ON RURAL PARTY RECTIFICATION

OW051255 Fuzhou FUJIAN RIBAO in Chinese 26 Jan 86 pp 1,2

[Excerpts] The Fujian Provincial CPC Committee on 20 January issued an "Opinion on How To Implement the 'Circular' of the Central Commission for Guiding Party Rectification and Seriously Do Good Party Rectification Work in Townships and Towns," and thus made arrangements for rural party rectification.

The provincial party committee decided that party rectification would be carried out in townships and towns (including their party and government leading bodies and organs, enterprises and institutions directly under them, and county organizations there) from the beginning of this year until summer harvest. Village party organizations will be rectified after the summer harvest. Because most of the members of township and town party organizations are either state cadres or workers in state enterprises, higher demands are set for township and town party rectification than for village party rectification during rural party rectification.

1. Fully understand the importance of successful party rectification in townships and towns.
2. Seriously implement the four demands set by the Central Commission for Guiding Party Rectification for rural party rectification work, and create a new situation in township and town work.

In the course of rectification, township and town party organizations should perform the four tasks -- achieving ideological unity, rectifying party style, strengthening discipline, and purifying party organizations -- put forward in the party Central Committee's decision on party rectification; and strive to meet the four demands set by the Central Commission for Guiding Party Rectification -- namely, to strive to heighten party members' understanding of the party's fundamental purpose, to make further efforts to correctly understand the party's policies concerning rural reforms and economic development, to deal seriously with the small number of party members who have committed severe mistakes, and to ensure success in building leading bodies.

In the course of carrying out education in the party's fundamental purpose, it is particularly necessary to pay attention to solving such problems as some party members and cadres with party membership being reluctant to work in rural areas, poor in work style, and divorced from the masses, and some taking advantage of membership of the ruling party to seek special privileges and private interests in violation of those of the masses.

In the course of carrying out education in the party's existing policies, it is necessary to attach importance to solving such problems as some party members, especially cadres with party membership, having confused ideas and misgivings about the party's policy of making the people well-to-do and building a new, socialist countryside with Chinese characteristics, not daring to go all out to lead the masses in becoming well-off by working hard, and lacking a pioneering spirit, being content with things as they are, and being in a state of inertia.

In the course of building leading bodies, it is necessary to seriously solve such problems as some grass-roots leading bodies creating disunity and violating democratic centralism. It is necessary to correct weak, lax, or even paralyzed leading bodies not daring to handle problems.

3. The methods, steps and timetable for township and town party rectification.

Generally speaking, a township or town should rectify party organizations in one group at a time. A township or town in a special situation may rectify party organizations in various groups.

Each group should complete party rectification in approximately 3 or 4 months. Party organizations with comparatively more problems or in a comparatively more complex situation may be appropriately given more time.

4. Firmly strengthen leadership over township and town party rectification work.

In township and town party rectification, it is essential to adhere to the principle of "solving problems without creating chaos," pay attention to conducting investigation and study, resolutely implement the party's rural policies, and ensure sound development in party rectification work. It is necessary to draw a lesson from the leftist practices, which were repeatedly carried out in rural areas in the past. It is necessary to ensure the "four don'ts" -- namely, do not obtain confessions by force and give them credence, do not hold public criticism meetings, do not exaggerate other's mistakes, and do not overextend the scope of attack.

Township and town party rectification work must adhere to the principle of promoting and ensuring reform and economic development. Party rectification work must be comprehensively and scientifically arranged in conjunction with rural reforms. It should be conducive to further development of rural reforms, further enhancement of rural productive forces, further invigoration of rural economy, and to bringing further into play the enthusiasm of rural cadres and peasants for production, so that it will truly promote reform and further enhance the excellent situation in rural areas.

FUJIAN ISSUES EMERGENCY CIRCULAR ON LAND MISUSE

OW051155 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 4 Feb 86

[Text] The provincial Discipline Inspection Commission recently issued an emergency circular calling on party organizations at all levels in the province to sternly investigate and deal with those cadres who are party members and who build houses on arable land without authorization.

The circular pointed out: The problem of misuse of arable land in Fujian is very serious. The area of arable land decreases by 111,600 mu annually on the average. If we do not take any measure to solve this problem, we are committing a crime against the people.

The 17th session of the Standing Committee of the 6th provincial People's Congress conducted a special study on strengthening the management of cultivated land, calling on leaders at all levels to earnestly investigate and deal with cases of misuse of cultivated land, and to improve local regulations on land management as soon as possible. Members of party committees and discipline inspection commissions at all levels should pay close attention to implementing the relevant regulations, supervise all the departments concerned to strengthen management, and stop the misuse of cultivated land and illegal land transactions while rectifying party style and improving social conduct. Leading cadres who illegally occupy land to build houses should be sternly investigated and dealt with. If cases of illegal occupation of cultivated land to build houses and of land transactions are not investigated, the leading cadres should be held accountable.

DAZHONG RIBAO ON IMPROVING OFFICE WORK STYLE

SK070752 Jinan DAZHONG RIBAO in Chinese 23 Jan 86 p 1

[Commentator's article: "Leading Cadres Should Set an Example for Others"]

[Text] The rectification of party style should proceed from the party organs. This is an important plan set forth by the CPC Central Committee for the work in 1986.



After the central meeting of office cadres, the provincial CPC Committee has issued a circular in a timely manner calling on the party organs at various levels and the broad masses of party members and cadres throughout the province to actually improve their office work style in line with the demands of the CPC Central Committee. During the past few days, the provincial-level organs have rapidly gone into action, and have conducted studies, investigations, and corrections simultaneously in order to set an example in rectifying party style and the social conduct at large. We can believe that the improvement in the office work style will certainly promote the fundamental improvements in party style and the social conduct at large, and will certainly bring about a strong impetus to reform and to the building of socialist spiritual and material civilizations.

Our party has a fine tradition, namely what is required of lower levels must first be done by higher levels; what is required of the masses must first be done by cadres; and what is required of the ordinary cadres must first be done by the leading cadres. In doing the routine work, we should proceed in this manner, and in rectifying party style and improving the office work style, we should all the more do like this. The matter concerning the office work style is, first of all, and the mental outlook, work attitude, and ideological style of office functionaries. If leading comrades take the lead in rectifying their ideological style, there will be a reliable condition and foundation for effecting an improvement in the office work style. There is an old saying: "If one teaches others by his own example, he will be followed by others, but if one teaches others by precepts, he will encounter disputes." Leading comrades at all levels should always bear this truth in mind, and remember that their examples will affect the lower levels and the masses. The leading comrades should fully understand the important significance of improving the office work style, actually place the improvement of the office work style on their agenda, and adopt effective measures to conscientiously solve the problems regarding the office work style. Meanwhile, while investigating the problems regarding the office work style, leading comrades should regard themselves as the targets of investigation, conscientiously check their own problems, and take the lead in correcting their mistakes. Only when the leaders first correct their own mistakes can they justly and forcefully investigate and correct the problems at lower levels. At present some organs face quite a few problems, but these organs act slowly and even remain indifferent to improving the office work style. Why? Except for the problems in ideology, an important reason is that some leading comrades themselves are not clean and honest enough, and have given others leverage against themselves. Therefore, such leading comrades cannot utter just and forceful words. So far as such leading comrades are concerned, they should lay down their loads and start up the machinery. Otherwise, with the loads on their minds, how can they support the right and suppress the evil, and judge what is right and what is wrong before others?

Leading comrades at various levels, the principal responsible comrades in particular, should delve into the grass-roots units to extensively solicit opinions from the masses at the grass-roots level and from the office cadres and party members so that they can discover the problems regarding the ideological style of their own units with the concerted efforts of higher and lower levels. They should also differentiate what is primary from what is secondary, and solve their problems one by one in the right order of seriousness. In particular, those units whose work is passive and arouses more complaints among the masses should do their work more penetratingly and meticulously, and should try their best to encourage the masses to give voice to all their feelings. By so doing, we will be able not only to promote the improvement of the office work style, but also improve the relationship between the higher and lower levels and strengthen the mutual understanding among the leaders, the masses, and the office workers. Thus far, in line with the arrangements of the provincial CPC Committee, most provincial-level organs have gone into action, have investigated their problems on the basis of studies, and have collected many opinions from various fields through various channels. All these opinions should be treated conscientiously and be sorted out expeditiously. The reasonable opinions must be accepted; with regard to the unreasonable ones, a sincere explanation should be given. Improving the office work style is a

It is only one side of the matter for the leaders to set examples in improving the office work style. All office functionaries should exert themselves in the work with a high degree of responsibility. They should also positively express their opinions, offer suggestions, consciously investigate their own problems in ideological style, and actually solve their problems. No one has reason to stay aloof from the work. We should all attend to our work with a new work style, attitude, and outlook. As long as the leaders are sincere, the masses are enthusiastic, and the higher and lower levels make concerted efforts with one heart and one mind, our office work style will certainly be improved in a short period of time and the work of the organs will certainly be strengthened further.

#### ZHEJIANG MEETING VIEWS PARTY RECTIFICATION WORK

OWO31448 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 2 Feb 86

[Text] The Zhejiang Provincial CPC committee held a forum on party rectification work from 29 to 31 January to sum up and exchange experiences on party rectification at the village and town level. The meeting studied ways to correct unhealthy tendencies, tackle other problems involving violations of laws and discipline, and make arrangements for party members to make examinations and comparisons in the next phase.

After affirming the achievements of units at the village and town level in training party members and in correcting mistakes in the course of party rectification and after summing up and exchanging experiences in party rectification work, the forum emphatically pointed out that examinations and comparisons by party members constituted a very important phase of party rectification at the village and town level. Whether party members have strengthened their sense of party spirit and improved their party work style must be clearly noticeable at this phase. Therefore, party committees at all levels -- especially county party committees -- must conduct ideological education among party members in order to make them understand the tremendous importance of improving party work style, of becoming a qualified party member, and of strictly observing party requirements. Next, examinations and comparisons should emphasize enhancing revolutionary spirit, improving party work style, working in the interest of the public, and promoting unity within the party. Third, it is necessary to strictly adhere to policy and carry out rectification and correction measures. Fourth, to achieve success in examinations and comparisons by party members, it is imperative to use the method of criticism and self-criticism, not to evade contradictions, and not to cover up mistakes.

The forum noted: To do a good job in party rectification at this phase, leaders at all levels should regard it as a means of improving work style and ideological and organizational work at basic-level units. At the same time, it is necessary to link party rectification with reforms and economic work and to use party rectification to ensure success in reforms and promote the building of the two civilizations. In party rectification attention should be paid to quality. Party rectification should not become a mere formality by being rushed through.

Attending the forum were responsible persons of the various prefectural and city party rectification offices, prefectural and city discipline inspection commissions and some county party committees.



GUANGDONG'S LIN RUO ATTENDS FUNERAL IN GUANGZHOU

HK031051 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 29 Jan 86

[Excerpts] The ceremony to pay last respects to the remains of Comrade (An Ming), member of the Advisory Commission of the Guangdong Provincial CPC Committee, was held in the Guangzhou funeral parlor. Comrade (An Ming) became sick, failed to respond to medical treatment, and died in Guangzhou on 21 January 1986, at the age of 80.

The Central Discipline Inspection Commission, CPPCC National Committee, Guangdong Provincial CPC Committee, provincial Advisory Commission, provincial People's Congress, provincial government, provincial CPPCC Committee, provincial Discipline Inspection Commission, Guangzhou Military Region, Guangdong Military District, and Henan Provincial CPC Committee sent wreaths. Leading comrades of the central authorities, including Comrades Zhao Ziyang, Xi Zhongxun, Yang Shangkun, Song Renqiong, Wang Heshou, Wei Guoqing, Ye Jianying, Wang Congwu, and Ma Guorui; responsible comrades of provincial and city departments concerned; and (An Ming's) friends also sent wreaths.

Attending the ceremony to pay last respects to Comrade (An Ming's) remains were Lin Ruo, secretary of the Guangdong Provincial CPC Committee; Ye Xuanping, governor; Xie Fei, Wang Ning, and Guo Rongchang, deputy secretaries of the provincial CPC Committee; Liang Lingguang, chairman of the provincial Advisory Commission; Lou Tian, chairman of the provincial People's Congress Standing Committee; Wu Nansheng, chairman of the provincial CPPCC Committee; some veteran comrades; organ cadres; and Comrade (An Ming's) friends, totaling some 500 people.

FORMER GUANGXI VICE CHAIRMAN REHABILITATED

HK031012 Beijing RENMIN RIBAO in Chinese 27 Jan 86 p 4

[Report: "Guangxi Regional Party Committee Redresses Unjust Verdict on Li Renren, Former Vice Chairman of the Regional People's Government"]

[Text] The Guangxi Zhuang Autonomous Regional CPC Committee recently decided to officially rehabilitate Li Renren, former Standing Committee member of the KMT Revolutionary Committee Central Committee, former Standing Committee member of the Guangxi Regional KMT Revolutionary Committee, and former vice chairman of the Guangxi Zhuang Autonomous Regional People's Committee.

Li Renren joined Tong Meng Hui when he was young and supported the "three cardinal policies" advanced by Dr Sun Yat-sen. In 1927 after the "April 12th Incident," he rose in opposition to Chiang Kai-shek, who betrayed the revolution. During the period of the second cooperation between the KMT and the CPC, he supported the CPC's policy on the anti-Japanese national united front. After the "southern Anhui incident" in 1941, he shielded CPC members and progressive patriotic personages and helped them to retreat safely. After the victory in the anti-Japanese war, he, together with Chen Shaoxian and others, initiated the establishment of the "Chinese KMT Association for Promoting Democracy" in Guilin, advocating the introduction of democratic reform and opposing the civil war. When the Chinese KMT Revolutionary Committee was founded in Hong Kong in January 1948, he was elected a Central Committee member. After the founding of the PRC, Li Renren was elected a member of the CPPCC National Committee, a deputy to the First, Second, and Third NPC, a member of the Central Political and Legal Committee, a vice chairman of the Central Overseas Chinese Affairs Committee, a vice chairman of the Guangxi Provincial People's Government, a vice chairman of the Guangxi Zhuang Autonomous Regional People's Committee, and so on; and he made valuable contributions to the reconstruction of the country. However, during the "Great Cultural Revolution," Li Renren was cruelly persecuted, vilified as an "arch villain of the reactionary Guangxi faction" and "evil elements of the KMT." He passed away in August 1968 when his house was flooded.



The Guangxi Zhuang Autonomous Regional CPC Committee is taking action to totally reverse the unjust verdict against Li Renren, fully rehabilitate him, and negate all slander and untrue accusations against him. At the same time, all unjust verdicts against all his family, relatives, friends, and other people who were involved in his case are also going to be reversed.

GUANGXI BANK PUNISHED FOR LOAN GRANTING MALPRACTICE

HK050845 Nanning Guangxi Regional Service in Mandarin 1100 GMT 31 Jan 86

[Excerpts] According to GUANGXI RIBAO, in the course of party rectification and correcting new malpractices, the Nanning central branch of the Construction Bank failed to execute prohibitions, sought private interest in granting loans, and arbitrarily issued money and material objects. Due to the above mentioned serious mistakes, the bank has been investigated and punished.

The regional Discipline Inspection Commission issued a notice to the region on this matter, demanding that party organizations and party-member cadres at all levels in the region draw a bitter lesson from it, and resolutely curb the unhealthy tendency of failing to enforce orders and prohibitions.

The central branch set up the Nanning Investment and Trade Consultation Service Company in January 1985, and changed the name to the Nanning Investment Consultation Service Company in March 1985. (Li Guoxiao), CPC group secretary and head of the central branch, assumed the post of managing director of the company. (Zhou Daji), CPC group member and deputy head of the central branch, assumed the post of manager of the company. By taking advantage of their power in granting loans, they violated state financial regulations and transferred 15.31 million yuan of interest-free or low-interest state funds to the company's account and then lent the money to others for profit, during the period January to September 1985. By using such methods as arbitrarily raising interest rates, charging clients a penalty interest, and engaging in joint operations with others to share profits, they, in the name of the company, illegally granted 113 loans totalling 22.69 million yuan to industrial and commercial enterprises and individual operators.

Worse, after the central Discipline Inspection Commission issued Document No 7 of 1985 on correcting new malpractices, and the General Office of the State Construction Bank issued the circular on stopping the granting of loans and recovering various unreasonable loans in violation of policies, the Nanning central branch continued to grant 13.28 million yuan of loans and arbitrarily issued money and materials totalling 46,326 yuan to its staff and workers. By early December 1985, 6.01 million yuan of loans had not yet been recovered.

The Nanning central branch of the Construction Bank engaged in new malpractices in the course of correcting party style. (Li Guoxiao), head of the central branch, should bear the main responsibility and (Zhou Daji), deputy head of the central branch, should bear direct responsibility for the mistakes. In order to enforce party discipline and correct party style, the Nanning City Discipline Inspection Commission decided, with the approval of the city CPC committee, to remove (Li Guoxiao) from the post of CPC group secretary of the central branch and suggested that he be removed from the post of head of the central branch. It also decided to give a serious inner-party disciplinary warning to (Zhou Daji) and instructed the central branch to take effective measures to recover all loans and submit all wantonly issued money and material objects to the state treasury.

GUANGXI'S CHEN HUIGUANG VISITS TEACHERS

HK050819 Nanning Guangxi Regional Service in Mandarin 1100 GMT 30 Jan 86

[Excerpt] On 29 January, Chen Huiguang, secretary of the regional CPC Committee, and Wei Chunshu, chairman of the regional people's government, visited professors, teachers and retired veteran cadres at Guangxi Teachers' University and Guilin Center for Retired Cadres. On behalf of the regional CPC Committee and the regional people's government, they wished them a happy Spring Festival.

At the teachers' university, Comrades Chen Huiguang and Wei Chunshu praised achievements made by the professors and teachers in the areas of training qualified personnel. They were shown the achievements made, and the problems and difficulties faced, by various fronts in 1985.

At the center for retired cadres, Comrades Chen Huiguang and Wei Chunshu visited retired veteran cadres and expressed season's greetings to them. They also conveyed the State Council leaders' instructions on, and concern about, the project of building Guilin into a tourist city. They hoped that the veteran cadres would take care of themselves, and offer suggestions on the region and Guilin's building of the two civilizations. They also wished them good health and longevity.

HUBEI'S GUAN GUANGFU PRAISES HONGHU EXPERIENCE

HK031509 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 30 Jan 86

[Excerpts] On the morning of 25 January, Guan Guangfu, secretary of the provincial CPC Committee, went to (Hongning) Village, (Shimatou) District, Honghu County, to conduct investigation. (Ye Changbao), secretary of the village party general branch, made a report to Comrade Guan Guangfu on the gratifying achievements in building two civilizations which they had scored last year.

On the basis of an increase by 16 times in 6 years, the village's gross agricultural, industrial, and commercial output value last year was 68 percent more than in the preceding year and reached 7.18 million yuan. Each laborer's output value was 12,000 yuan. Under the promise of the township annual retention of 500,000 yuan and of per capita retention of 500 yuan, it was guaranteed that per capita net income was 1,000 yuan. In the village, 213 peasants live in buildings of two or more storeys. On a new Nongmin street, 2-li long, 20 village-run factories have been set up and a school, a clinic, shops, restaurants, an electricity generating station, cultural rooms, nurseries, kindergartens, and a guesthouse have been established. In the whole village, 47 party members and 60 percent of the people have been assessed by party organizations at all levels as outstanding party members. The village party general branch was recently conferred the title of an advanced party general branch by the provincial CPC Committee. Fifty percent of the villagers have been assessed as five-good villagers. Forty percent of peasant households have been assessed as five-good households. Last year, the provincial CPC Committee and provincial government conferred the title of a double civilization unit on this village.

Full of zest, Comrade Guan Guangfu listened to the report and fully affirmed the experience of (Hongning) Village in the increasing prosperity of agriculture, sideline production, and industry and in correctly handling the relations between taking the lead in getting rich and getting rich together, between industry and agriculture, between material civilization and spiritual civilization, between production and livelihood, between leaders and the masses, between immediate interests and long-term interests, and between accumulation and distribution. Comrade Guan Guangfu said: The experience of (Hongning) Village in exploring the way of building a new Chinese style socialist rural area is very fresh, the achievements are very remarkable, and the experience is very convincing and merits popularization in all rural areas throughout the province.

HUBEI'S GUAN GUANGFU AT SPRING FESTIVAL TEA PARTY

HK031505 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 30 Jan 86

[Excerpts] The provincial CPPCC Committee and the United Front Work Department of the provincial CPC Committee held a ceremonious tea party in the Hongshan Guesthouse, Wuchang, this morning to greet the Spring Festival. Attending the tea party were the NPC deputies and CPPCC National Committee Members in Wuhan; provincial People's Congress Standing Committee members; the provincial CPPCC Committee Standing Committee members; responsible persons of all provincial democratic parties, Federation of Industry and Commerce, Federation of Taiwan Compatriots, Federation of Returned Overseas Chinese, and Wuhan Alumni Association of Huangpu Military Academy, provincial counsellors' office, provincial Research Institute of Culture and History, and Nationality and Religion Bureau; and well-known personages of various circles, totaling some 300 people. Leading comrades of the provincial CPC Committee, provincial Advisory Commission, provincial People's Congress, provincial government, provincial CPPCC Committee, and provincial Discipline Inspection Commission and personages of various circles happily gathered under the same roof.

Tao Yang, vice chairman of the provincial CPPCC Committee and director of the United Front Work Department of the provincial CPC Committee, presided over the tea party. On behalf of the provincial CPPCC Committee and the United Front Work Department of the provincial CPC Committee, Li Wei, chairman of the provincial CPPCC Committee, spoke at the party, extending season's greetings to the personages of various circles attending the tea party, Taiwan compatriots, Hong Kong and Macao compatriots, and Overseas Chinese abroad and wishing them happy Spring Festival.

Leaders, including Guan Guangfu, secretary of the provincial CPC Committee; Guo Zhenqian, deputy secretary; Han Ningfu, chairman of the provincial People's Congress Standing Committee; Tao Shuzeng, vice chairman; and Zhang Wencai and Zhou Yongzeng, vice chairmen of the provincial CPPCC Committee, also spoke at the party. They wished them happy Spring Festival and good health.

Other leaders attending today's tea party were Zhao Fulin, Wang Qun, Li Erzong, Shen Yinluo, Liu Huinong, Li Fuquan, Zhang Xiulong, She Chuan, Lin Musen, Liang Shufen, She Zirong, Xie Wei, Zhou Jifang, Rao Qinzhi, Xu Jinbiao, Liang Zhiyan, Sun Yaohua, (Yang Rui), Hu Hengshan, (Pan Ningzhu), and Li Xuewen.



HEILONGJIANG CPC TO REISSUE JOURNALIST CERTIFICATES

SK052210 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 4 Feb 86

[Text] The Propaganda Department of the provincial CPC Committee recently issued a document, calling on various press units to correct the arbitrary issuance of journalist certificates, to reissue journalist certificates in accordance with stipulations, and to use new journalist certificates beginning from 1 April.

The document states: The arbitrary issuance of journalist certificates not only denigrates the prestige of the press units and adds pressure to transport and traffic departments, but also provides conditions for a few lawless persons to swindle and bluff others and create harmful consequences for society.

The document stipulates: Only newspaper agencies and radio and television broadcasting stations will be allowed to issue journalist certificates. Those ordinary periodical organs and publishing houses which openly publish books and magazines but not newspapers will not be allowed to issue journalist certificates or certificates for journalists in training. The press units are also forbidden to issue journalist certificates to their administrative and rear-service personnel. When inviting special correspondents as required by the work, these correspondents should be issued letters of appointment. Special correspondents may not enjoy treatment as formal journalists.

The document points out: Various press units may not issue certificates to journalists without the appraisal and approval of the Propaganda Department of the provincial CPC Committee. The Propaganda Department of the provincial CPC Committee has demanded that by the end of March, all journalist certificates issued by various press and nonpress units in the past should be withdrawn for examination and consolidation, and new journalist certificates will be reissued in accordance with stipulations. From now on, in cases of the arbitrary issuance of journalist certificates, the relevant leaders will be called to account.

HEILONGJIANG: REGULAR CONTACTS WITH EXPERTS APPROVED

SK032330 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 1 Feb 86

[Text] On the afternoon of 31 January, leading comrades of the provincial CPC Committee, the provincial Advisory Commission, and the provincial people's government accepted a proposal put forward by experts of the provincial Scientific, Technological and Economic Advisory Commission with regard to establishing a system of regular contacts and consultations or discussions between leading personnel and experts in order to bring into better play the brain-trust role of advisers in formulating macroeconomic strategy and important economic policy decisions.

The proposal was made at a tea party held by the provincial Scientific, Technological and Economic Advisory Commission on the occasion of Spring Festival. At the party, the participating experts stated: In the more than 2 years since the founding the provincial Scientific Advisory Commission, it has fulfilled the tasks of appraising more than 80 projects concerning important and major developments. Some of them have resulted in considerable economic results. However, they stated that they know so little about the province's programs for the macroeconomy and long-term development and that they wish to have contacts with the provincial leading personnel to exchange viewpoints in order to bring their role into better play and to enable them to be good advisers.

At the party the leading comrades of the provincial CPC Committee, the provincial Advisory Commission, and the provincial people's government readily agreed to the proposal.

Chen Lei proposed that we should begin exchanging viewpoints this year and that the leading personnel should take the lead in introducing the situation to the experts. Hou Jie stated: Efforts should be made to systematize consultations and discussions and to have the experts first provide the topics for consultations or discussions. Sun Weiben also proposed that the form of contacts between the leading personnel and experts can be multiple, such as viewpoint exchanges during lunch after meetings, opinion exchanges over the telephone, and through informal notes in order to enable the experts to understand in a timely manner the central tasks of the provincial CPC Committee and the provincial people's government as well as problems that need to be solved.

JILIN: THEORETICAL STUDY GROUPS RESTORED

SK040435 Changchun Jilin Provincial Service in Mandarin 1030 GMT 3 Feb 86

[Text] In order to realistically strengthen the study of basic Marxist theory by the leading cadres, the provincial CPC Committee recently decided to restore the theoretical study central group, composed of members of the Standing Committee of the provincial CPC Committee, members of the party group of the provincial government, and the principal responsible persons of the provincial Advisory Commission, the provincial People's Congress, the provincial CPPCC Committee, and the provincial Discipline Inspection Commission. Gao Di, secretary of the provincial CPC Committee, is chief of the study group and Wang Zhongyu, deputy secretary of the provincial CPC Committee, is deputy chief.

In addition, the provincial CPC Committee also issued a circular calling on all organs at and above the county level throughout the province to restore and establish theoretical study central groups. It called on all city, prefectural, autonomous prefectural, county, and district CPC committees, all departments and commissions of the provincial CPC Committee, the party groups of various commissions, offices, departments, and bureaus of the provincial government, and the party groups of various mass organizations, to restore or establish the theoretical study central groups within a short period of time. The propaganda departments of the provincial CPC committees at all levels and the various lecturers groups should assist the theoretical study groups of their CPC committees in formulating study plans, provide them with study materials, and introduce the relevant situations to them.

It was also decided that this year, the theoretical study central group of the provincial CPC Committee will stress the study of three special topics: 1) The issue of grasping the study of basic Marxist theory in light of the new reality; 2) the issue of building the socialist spiritual civilization and party style; and 3) the issues of socialist modernization and economic structural reform.

The circular calls on CPC committees at all levels to strengthen leadership over the regular theoretical study of in-service cadres, to guard against and overcome the phenomenon of letting things drift, and to promote the theoretical study of the broad masses of cadres throughout the province through strengthening the study of the theoretical study central groups at all levels.

JILIN SECRETARY'S ARTICLE IN MEMORY OF ZHOU ENLAI

SK010142 Changchun JILIN RIBAO in Chinese 8 Jan 86 p 3

[Article by Gao Di, secretary of the Jilin Provincial CPC Committee, carried in the first issue of JILIN DANGSHI ZHILIAO: "A Nobel Model Who Wholeheartedly Served the People"]

[Text] History as well as the people who create history are the most unbiased. If someone asks who the greatest person of the present age is, I think the majority of the people will answer that the esteemed Comrade Zhou Enlai is the greatest.

People respected Comrade Zhou Enlai not only because he was a great proletarian revolutionary, an outstanding communist fighter, and a long-tempered brilliant party and state leader of the Chinese people who made indelible contributions to the party, the people, and the communist cause. What is more important is that he was an outstanding Communist Party member and a model of the communists.

Comrade Mao Zedong once said that every person has either great or small abilities. However, as long as he has the spirit of absolute selflessness, he can be called a noble, pure, and moral person; a person who has severed himself from vulgar interests; and a person who is of value to the people. The esteemed Premier Zhou was exactly a person of this kind.

Let us hear the reminiscences of Comrade Zhou Enlai's guard.

Comrade Zhou Enlai, "when he went out, did not want too many guards. He particularly opposed the practice of having many attendants crowding around because he thought that this would be disadvantageous for him to maintain links with the masses.

"When he made an inspection tour in other parts of the country, in order to maintain more contacts with the masses, he often asked to stay in a hostel and refused to live in a high-class guesthouse.

"In the winter of 1954, when Premier Zhou learned that the traffic in Beijing was very congested and the broad masses of staff and workers found it very inconvenient during the rush hour, he wanted us to follow him, and took a bus in front of the Beijing Library after work one evening in order to personally experience the traffic situation. After that, he took a streetcar to tour part of Beijing Municipality. At that time, the bus was very crowded. The passengers were very excited when they saw that Premier Zhou was riding the bus with them. They became excited and all of them stood up to offer their seats to Premier Zhou. The premier politely declined their offers and let them sit down. He stood all the way instead and talked cordially with the staff members and workers around him. Afterward, Premier Zhou immediately instructed the various relevant departments to study and solve the problem of traffic congestion.

"On 17 July 1958, the Huang He iron bridge was damaged by flooding and the Beijing-Guangzhou Railway was interrupted, affecting freight transport and the livelihood of the people. When Premier Zhou learned about this, he rushed to Zhengzhou the next day and went to the worksite by train as soon as he alighted from the plane. When he got off the train, it was already nighttime, and a fine drizzle was falling. It was about 2 li from the railway station to the worksite. Braving the rain and dampness, Premier Zhou walked to the worksite. Soon after he arrived at the worksite, Premier Zhou went to the workers' dormitory to ask after their health, with deep concern, and dined at the big mess hall with them.

"When he was in Chongqing, Vice Chairman Zhou always came into contact with high officials of the Kuomintang and foreign friends. He wore old clothing only. One of the Western-style garments that he wore abroad was faded and there was many patches on the trousers. With the consent of the leading comrades, the office comrades quietly made a pair of new trousers for him. Fearing that he would not wear them, the comrades urged Sister Deng to do something. When Vice Chairman Zhou learned about this, he refused to wear the trousers, no matter what Sister Deng said. He said: Plain living is the true quality of our Communist Party members. It does not matter if we wear mended clothes.



"At that time, Vice Chairman Zhou ate the same meals as we did, but his work was much more complicated.

"After the founding of the PRC, Vice Chairman Zhou served as the government premier. He still maintained his true qualities of hard work and plain living, as he had done during the war years. He still lived a simple life.

"Premier Zhou and Sister Deng made it a rule that at least one-third of their staple food was coarse grain. Around 1960, at the time when our country was experiencing temporary difficulty, Premier Zhou's family did not eat meat and eggs.

"His pajamas were purchased in 1950, when he accompanied Chairman Mao abroad. The pajamas were faded, and had many patches and mended spots. However, he still wore them until his death.

"One pair of his shoes had been worn down three times. He still wore them after repairs.

"His towel was worn out and had holes, but he still mended it for reuse.

"After Premier Zhou came to the city, he lived in an old-style single-story house. Some of the beams and pillars had already rotted and most of the paint on the surface had peeled off. The windows were broken and had large cracks. During the winter, he had to block the cracks with pieces of newspaper. The floor was surfaced with large square bricks which were very damp. In consideration of the fact that Premier Zhou had to work deep into the night, and it was felt that he would be liable to contract arthritis after a long period of time, we intended to repair his house on several occasions. However, he firmly refused the offer.

"Premier Zhou made a clear distinction between public and private interest even when taking a drive. He considered going to the barber shops, cinemas, and hospitals as his private business and he paid for them at his own expense and told his driver to keep the accounts.

"Premier Zhou resolutely opposed the practice of sending gifts; he returned all gifts without exception. If some gifts could not be returned, he paid for them and then turned them over to the relevant departments for further handling.

"Premier Zhou and Sister Deng set very strict demands on their relatives. In 1960, one of Premier Zhou's relatives from Huaian wanted to stay in his school as a teacher after he had graduated from the Beijing Steel and Iron Institute. His wife was working in Huaian. In consideration of the fact that they were husband and wife, the organization decided to transfer his wife to work in Beijing. When Premier Zhou learned about this, he disagreed with such a way of doing things. He personally persuaded the couple to work together in Huaian, and said to them: At any time, you must guard against seeking special privilege. You may also bring back what you have learned from school to your hometown and may display your knowledge there. The couple happily returned to Huaian County."

A comrade working for Premier Zhou said: "After the founding of the PRC, some comrades suggested that efforts be made to build a government building, and made a model of such a building. Premier Zhou resolutely opposed this. He said: 'We should implement Chairman Mao's directive of building the country industriously and thriftily. During my term of office, I will not build a government building.'"

This was our esteemed Premier Zhou. From these specific, lively, and touching facts, we can see the brilliant image of a true communist.

The proletariat has considered the liberation of mankind as its own duty. This has determined the fundamental purpose of the Communist Party as being to serve the people. Comrade Zhou Enlai was a noble model who wholeheartedly served the people.

Selflessness and selfishness are two diametrically opposed world outlooks and outlooks on life. To serve the people, we should sacrifice ourselves for the sake of others and should work selflessly for the public interest. Those persons who have fussed about personal gains or losses and refused to sacrifice their own interests for the sake of the party and the people and those who have abused their power to seek personal gains cannot be called qualified Communist Party members. These comrades, as long as they still retain some consciousness of being Communist Party members, and retain the spirit of self-criticism, should feel ashamed upon viewing Comrade Zhou Enlai's model acts and thinking about what they have done.

At present, we are engaging in the great cause of building our country into a socialist modernized strong state. To speed up the construction pace, we should open to the outside world and invigorate the domestic economy. Under such circumstances, we should all the more continue to promote our party's fine traditions of working hard and building the country industriously, and foster a good party style and social habit. The premier has been dead for 10 years. The best act to commemorate the 10th anniversary of his death is to learn from the brilliant examples which he fostered for us and to rectify the party style. The party is the leading force of the communist cause. The masses will judge our party by viewing our party style and the ideology and work style of the party members and cadres, particularly the leading cadres. As long as we have a correct party style, we are capable of exerting influence on the broad masses of people, uniting with and guiding them, and successfully fulfilling all our undertakings.

#### JILIN: YANBIAN CPC CONGRESS ELECTS NEW LEADERS

SK040407 Changchun JILIN RIBAO in Chinese 24 Jan 86 p 1

[Text] The Fifth Yanbian Chaoxian Autonomous Prefectural CPC Congress was held in Yanji City from 20 to 23 January. A total of 431 delegates from 8 counties and cities throughout the autonomous prefecture attended the congress.

Comrades Li Dezhu and Shen Changchun delivered work reports to the congress on behalf of the Yanbian Autonomous Prefectural CPC Committee and the autonomous prefectural Discipline Inspection Commission, respectively. Delegates discussed the outline of the Seventh 5-Year Plan of the autonomous prefecture, and its strategies for economic and social development. Through full deliberations and democratic elections, the congress elected the Fifth Yanbian Chaoxian Autonomous Prefectural CPC Committee and its Discipline Inspection Committee. Comrade Shen Changchun [3947 2490 3196] was elected secretary of the autonomous prefectural Discipline Inspection Commission.

On the afternoon of 23 January, the Fifth Yanbian Chaoxian Autonomous Prefectural CPC Committee held its first plenary session in Yanji City. The session elected 10 Standing Committee members of the autonomous prefectural CPC Committee. Comrade Li Dezhu was elected secretary of the autonomous prefectural CPC Committee. The session also discussed and approved a "resolution on the issue of rectifying party style."

SHAANXI CONCLUDES PARTY WORK CONFERENCE

HK020704 Xian Shaanxi Provincial Service in Mandarin 2300 GMT 29 Jan 86

[Text] Between 25 and 29 January, the Shaanxi CPC Committee held a work conference in Xian. The conference was attended by 316 people, including responsible comrades of the provincial CPC Committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress, the provincial government, the provincial CPPCC, and the provincial Military District; secretaries of various prefectural, city, county, and district CPC committees; responsible people of various provincial offices, departments, and bureaus; colleges and universities; and responsible people of some large and medium-sized enterprises.

At the conference, Comrade Bai Jinian made a report entitled: Grasp the Two Civilizations Simultaneously and Create a New Situation in the Seventh 5-Year Plan.

In the report Comrade Bai Jinian reviewed the work in 1985. He said: The provincial CPC Committee holds that in 1985, there were four points concerning our guiding ideology which are worth our attention:

First, we should eliminate leftist thinking, destroy the old, and emancipate our minds. This slogan was raised by the provincial CPC Committee in connection with the spirit of Comrade Yaobang's instruction and by proceeding from the province's actual conditions. Our experience in the past year has shown that it is necessary and correct that we emphatically stress the work of eliminating leftist thinking and destroying the old.

Second, we should greatly strengthen the building of the grass roots. Our work should be implemented in a down-to-earth manner. We must grasp the work at the grass-roots level. In June 1985, the provincial CPC Committee raised the issue of strengthening the work at the grass-roots level. Then it trained urban and rural cadres at the grass-roots level by stages and in groups. It also sent a large number of cadres to the grass roots in the rural areas to help the work there. Over the past 6 months, party committees at various levels have done a lot in this respect. They adopted a series of practical measures for strengthening the ideological and political work and the work at the grass-roots level. At present there are more than 8,000 cadres at the grass-roots level in the rural areas. This is supported by both cadres and the masses.

Third, in the course of reform and economic construction, we should uphold the principle of being eager to make steady progress. We should stress the practice of opening up in a bold way and making progress in an innovative way, while emphasizing investigation in a truth-seeking way.

Fourth, we should take a correct attitude toward and firmly grasp our shortcomings.

In regard to this year's work, Comrade Bai Jinian first talked about the issue of reforms. He said: The general principle of this year's economic structural reform is, on the one hand, to consolidate, assimilate, augment, and perfect our present reform achievements and to exert great efforts on solving prominent problems so that our reforms will bring about better results. On the other hand, we should conduct in-depth investigations and probe the experimental units, so as to prepare for making new achievements in the next stage of reforms.



A point worth emphasizing is that we must further strengthen the vitality of large and medium-sized enterprises owned by the whole people. We must expedite the development of the tertiary industry, give play to the role of key cities, and greatly develop extensive economic and technological cooperation and links within the province and with other areas.

On further invigorating the rural commodity economy, Comrade Bai Jinian pointed out: The rural areas are still the pillar of the economy. Under no circumstances must we neglect this. At present, both the rural productive force and the peasants' living standard are at a low level. If we do not solve this uneven situation, it will inevitably affect the province's economic development as a whole and the realization of the goal of reaching the comparatively well-off level by the turn of this century. The basic way to invigorate the rural commodity economy is to readjust the rural industrial structure. Once we have grasped this point, we can handle our work like leading an ox by the halter. At present we must also place the development of marketable grain in an important position. When developing rural commodity production, we must unswervingly depend on science and technology. All comrades of party committees at various levels who are in charge of the rural work must understand this point sober-mindedly. At the same time, they must also really extricate the poor from the poverty-stricken state.

Comrade Bai Jinian urged the whole party to strengthen ideological and political work. He urged party committees at all levels to include the work on their daily agenda. The propaganda and education departments and various mass organizations are departments in charge of ideological and political work. They must help the party committees do well in their supervisory work. He urged them to really improve ideological and political work, to differentiate the present work from the past work which was influenced by leftist thinking, and to probe a new way.

He also said: We must justly and forcefully educate cadres and the masses on the present situation, tasks, and policies. The provincial CPC Committee has decided that in the first half of this year, the province's prefectures, cities, and counties, and various departments, enterprises, schools, and organs, proceeding from their actual conditions, must concentrate their efforts in a systematic way on conducting education about the present situation, tasks, and policies. They must strive to seek a common understanding, heighten our understanding, promote unity, and achieve our lofty goal. In addition, they must do well in building the ideological and political departments themselves.

On party rectification and building the cadre contingent, Comrade Bai Jinian said: We must really do well in party rectification at the grass roots in both urban and rural areas. We must greatly strengthen the building at the grass-roots level. In this regard, we must grasp two points: first, the cadres' education; and second, the consolidation of organizations. We must consolidate and develop the achievements made at the first and second stages of party rectification and strive to fundamentally change for the better the party work style of leading organs at provincial, prefectural, and county levels. Issues that are most complained about are cases of abusing power and irresponsible bureaucratic practices. When handling these kinds of cases, some people take a lenient attitude toward them. We must integrate party rectification with the strengthening of the party's building of ideology and organizational discipline. We must also integrate it with the improvement of organs' efficiency and cadres' quality. In the wake of completion of this party rectification, the focal point of the work concerning organizations and cadres should be gradually switched to the strengthening of the building of ideology and organizational discipline and the improvement of cadres' quality.

In conclusion, Comrade Bai Jinian talked about the issue of leadership. He stressed two points: First, we should improve the leaders' work style and implement the work down to the grass-roots level. He said: Leadership means service, that is, to serve the grass roots and masses. The cadres, particularly leading cadres at all levels, must not be lazy or carry out work perfunctorily. Rather, they must act in a down-to-earth manner. Second, we should improve the skill of leadership, implement the party's principles and policies and work, in an innovative way. Comrade Bai Jinian said: The criterion for judging innovation in one's work is the party's ideological line. Anyone who really upholds the practice of seeking truth from facts and who really implements the CPC Central Committee's principles and policies should be the one who is bold in proposing suggestions, in offering practical measures for solving problems, and in making innovations. It can be said that whether or not a cadre carries out work in an innovative way under the conditions of upholding the four basic principles reflects the ideology, policy, professional skill, and sense of political responsibility of the cadre. This is particularly true for leading cadres. In order to further promote the province's work, we need a large number of innovative cadres.

At the provincial CPC Committee conference on party work, Vice Governor Xu Shanlin made a speech entitled: Act in the Spirit of the Central Meeting on Rural Work and Promote Constant Development of the Province's Rural Economy. Focusing on the 1986 general principle and general task proposed by the provincial meeting of party delegates, the participants discussed the report of Comrade Bai Jinian, the speech of Comrade Xu Shanlin, the issue of strengthening ideological and political work, and the work concerning party rectification in rural areas.

The participants expressed their views freely at the conference. They unanimously held: In 1985, the province's cadres and party members greatly emancipated their minds. It was also a year in which reforms were carried out in an all-round and in-depth way and in which the province made headway in both economic construction and other tasks. The province's economic and political situation was really very good.

The noted that 1986 is the first year of the Seventh 5-Year Plan period. To do well in this year's work and to have a good start for the Seventh 5-Year Plan are of significance in terms of the in-depth economic structural reform, the further promotion of the national economy and other undertakings, and the promotion of building of socialist spiritual and material civilizations.

Through discussion, the participants gained firm faith in doing well in their year's work. They are determined to carry out work in an innovative way in accordance with the requirements of the provincial CPC Committee so that their work will be marked by special features, vitality and practical and fruitful results. Therefore, they can create a new situation in the task of the Seventh 5-Year Plan and make 1986 into a year in which the leaders' work style will be improved, the work will be comprehensively implemented, and the construction at the grass-roots level will be greatly strengthened.

#### XINJIANG CONCLUDES RURAL WORK CONFERENCE

HK020333 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 1 Feb 86

[Excerpts] A 10-day rural work conference convened by the regional CPC Committee concluded today. The conference said that the general demand on rural work in the region this year is to seriously implement the spirit of the central rural work conference, implement the policies well, carry out reforms in depth, continue to make readjustments, improve conditions for agricultural production, organize pre- and post-production services, promote commodity circulation, and fulfill all the economic targets.

The focus is on production of grain, animal husbandry, cotton, and cucurbit and fruit.

In grain production, the region should get a vigorous grasp of conversion work. In animal husbandry, a number of livestock in the pastoral areas should be transferred to the agricultural areas, and integration of agriculture and animal husbandry should be promoted. In cotton production, it is essential to improve quality. In cucurbit and fruit production, it is essential to do a good job in transportation.

Regional CPC Committee Secretary Song Hanliang presided at the conference. Deputy Secretary Zhang Sixue conveyed the spirit of the central rural work conference. Deputy Secretary and regional government Chairman Tomur Dawamat delivered a report entitled "Further Implement the Policies, Carry Out Reforms In Depth, and Spur Sustained, Steady, and Coordinated Development of the Rural Economy" Comrade Song Hanliang delivered a speech entitled "Straighten Out Thinking, Grasp the Focal Points, and Strive for a Bumper Harvest for the Ninth Successive Year." Regional Advisory Commission Chairman Wang Enmao made a speech. Regional CPC Committee Deputy Secretary Li Shoushan delivered a summation.

The conference pointed out that the past few years have been the best period for the entire rural economy situation in the region. The region's grain situation is currently good, but we cannot overestimate this, become blindly optimistic, and view the issue lightly. Although we are now self-sufficient in grain, with a surplus, the average amount of grain available per person is below the record figure for the region and also below the national average. There are also problems of too much emphasis on wheat and too little on rice, miscellaneous grains, and maize. We must therefore continue to implement the principle of developing diversified undertakings without any slackening of grain production.

This year we must stabilize the grain area, readjust the grain crop variety, increase income, raise yields, and ensure the fulfillment of the target for total output. We must appropriately reduce the area sown to wheat and increase the area sown to maize and other crops. We should base our efforts on grain conversion within the region and on the spot. We must continue to perfect the contract purchase system and alter the duration of unchanged quotas from 1 to 3 years. We should expand the varieties covered by contract purchasing by including barley, sorghum, mung beans, and broad beans.

The conference stressed: Giving animal husbandry a still more conspicuous position represents a major change in the region's rural economic structure and strategic planning. The key to making a success of this change lies in enhancing understanding of animal husbandry and strengthening leadership over it and over work in the pastoral areas. To speed up the development of animal husbandry, we must grasp animal husbandry on pastureland and also vigorously develop it in agricultural areas and pay attention to it in city outskirts, organinally integrating these three developments.

The focal point in animal husbandry work this year is to grasp conversion, develop animal husbandry in the agricultural areas, and transfer some livestock in the pastoral areas to the agricultural areas. This must be done in a planned and organized way under leadership. There are great potentials for developing animal husbandry in the agricultural areas.

The conference proposed further relaxing animal husbandry policies, making concessions to the interests of the herdsmen, and invigorating the economy in the pastoral areas, and formulated corresponding policies.



Discussing the development of commodity production in the region, the conference proposed vigorous development of the region's strong-point products and striving to turn the region's natural strong points into economic and commodity strong points. Cotton is a big strong point in Xinjiang. The key to taking advantage of it lies in improving quality and paying top prices for top quality. Speeding up the improvement of strains is an important way to improve cotton quality.

Cucurbit and fruit production is also a big strong point in Xinjiang. We must regard the development of cucurbit and fruit cultivation as a major pillar of the rural economy and get a thoroughly good grasp of it.

Discussing the readjustment of the rural production structure, the participants pointed out that township enterprises, forestry, and fisheries are weak links in the region's rural economy. Regarding the township enterprises, we should uphold the principle of pooling the efforts of townships, villages, combinations of households, and individuals. The enterprises should be based on and serve agriculture. The focus should be on developing agricultural and animal product processing industries, mining, building materials, light, textile, and chemical industries, and tertiary industry. We must further relax the policies and make concessions to the interests of the township enterprises.

The key to developing forestry lies in better implementing forestry policies. In fisheries, we must make full use of our waters and launch large numbers of people to breed fish. We should gradually establish some marketable fish bases in city outskirts.

The conference proposed the region's agricultural development targets for 1986. Total output value should be 5 billion yuan. Total grain output should be 10 billion jin, cotton 4.5 million dan, oil-bearing crops 6 million dan, and sugarbeet 13 million dan. The peak number of livestock should be 40 million, and meat output should reach 2.15 million tons. The region should carry out afforestation and tree planting on 1.2 million mu, and strive to plant grass and improve pastureland on 5 million mu. Total income of the township enterprises should be 1.2 billion yuan.

The conference held: To attain these targets, we must persevere in reform and carry out reform in depth. We must increase input, to improve the production conditions. We must rely on science and do a good job in organizing agroscientific and technological services. We must step up work in poor areas, and lighten the peasants' burden. We must bring into full play the backbone role of the production and construction corps in modernizing Xinjiang's agriculture. We must pay attention to building spiritual civilization in the rural areas and strengthen leadership over rural work.

The focal points in rural reforms this year are to further perfect the dual-level operational system combining unified and separate efforts and bring into full play the initiative of both unified and household operations. Starting with providing services, we must perfect the cooperative economy. In accordance with the demands of the peasants and herdsmen, we must provide comprehensive and systematic service in fine strains, technology, processing, storage, and so on.

The meeting stressed that leadership is service. The main duty of leaders in rural work is to serve the grass roots and the peasants and herdsmen.

XINHUA COMMENTATOR'S ARTICLE ON REUNIFICATION

OWO61430 Beijing XINHUA Domestic Service in Chinese 0732 GMT 6 Feb 86

[XINHUA commentator's article: "Both Sides of the Strait Work Together To Invigorate China"]

[Text] Beijing, 6 Feb (XINHUA) -- With the approach of the Spring Festival of 1986, the sons and daughters of the Chinese nation throughout the world are jubilantly celebrating this traditional holiday. On this auspicious and happy occasion, we would like, in accordance with tradition, to extend festival greetings to our compatriots in Taiwan, Hong Kong and Macao, and to Chinese nationals residing abroad. We wish you good health and happiness, and domestic bliss.

It is known to all that in reality the recent situation on both sides of the Taiwan Strait has, as can be seen from various considerations openly stated or covertly conveyed by public figures as well as private individuals, been moving nearer to the eventual peaceful reunification of the motherland. It is patently obvious that this is the general trend of events and meets the demands of the times and the people. Even those who are desperately opposed to this have to yield their ground bit by bit, glancing right and left but unable to directly admit the facts. We welcome the way things are moving, and understand the fix in which some people find themselves for the time being. Nevertheless, like our compatriots in Taiwan and elsewhere, we really hope to see events develop a bit faster and shape up more definitely. In any case, "the need for China to reunify peacefully at an earlier date" has become the strong demand of all Chinese compatriots and a major topic of discussion in China and abroad. People of all circles on Taiwan and Chinese nationals residing abroad, even numerous top civilian and military persons within the Kuomintang, are dissatisfied with the rigid stand taken by the Taiwan authorities in opposing the Communist Party and rejecting proposals of the mainland for peace negotiations; they are critical of the unreasonable rejection of the call to resume posts and telecommunications, navigation and trade links between the mainland and Taiwan; and they call for the restoration of normal contacts between kith and kin now separated by the Strait between them. Defying bans, they have held various discussions of questions relating to China's reunification and Taiwan's future, making oblique hints to ways of achieving China's peaceful reunification. Meanwhile, indirect trade and exchanges of visit to relatives and friends, as well as academic, cultural and sports exchanges, are steadily increasing. Is there any one who can step forth and challenge these facts? Along with the increase in exchanges, naturally, Taiwan compatriots and Overseas Chinese who judge things objectively find that the political situation on the mainland has been stable in recent years, that its international position is steadily becoming more important, that the Hong Kong question has been resolved to the unanimous approval of the people of China and the rest of the world, and that the economic development and improvement of both urban and rural living standards on the mainland have become the focus of world attention. It is of course natural that people of various circles who are concerned about the mainland are not satisfied with everything that has taken place on the mainland. As a matter of fact, the government and public on the mainland have never claimed that all is right with us. Moreover, different people have different views and are all free to hold them. There is no need to impose a consensus. But the truly important thing is that the mainland of our motherland is making steady progress. The National Conference of the Chinese Communist Party held last September successfully completed the replacement of old leaders of the central institutions with younger ones, thus ensuring the stability of the nation's fundamental strategies and principles and policies for a long time to come. The concept of "one country, two systems" raised by the Chinese Communist Party is being gradually understood by compatriots on Taiwan, Overseas Chinese throughout the world and other people who care about China's future. In the changing situation in Hong Kong, the concept has proved itself entirely feasible. A growing number of people are coming to realize that reunification of the motherland on the principle of "one country, two systems" suits the need of the



nation's long-term stability and is also a guarantee for maintaining the present way of life and interests of our Taiwan compatriots; and that it greatly favors the long-term prospects of Taiwan's economic growth and makes it possible for our Taiwan compatriots to play their role in the four-modernization drive of the mainland. When this is one, it will indeed be a situation in which "four beauties become available and two disagreeing things join." [si mei ju er nan bing 0934 5019 0215 0059 7181 1629] (The original verse is from "Tengwang Pavilion," an article by Wang Bo of the Tang Dynasty. Here, four beauties mean allegorically the four benefits described in the preceding sentence, and two disagreeing things mean the KMT and the CPC) The deeds of merit of all those who contribute to this will surely go down in historical records, and is something their descendants will be proud of. Since we are all human, how could any one of us far-sighted Chinese be unmoved by the prospect or unawakened to his responsibility for the rise or fall of the nation?

The year 1986 is sure to be one of furthering the process of the peaceful reunification of the motherland. We sincerely hope that in this year, our compatriots of all nationalities and in all walks of life on Taiwan will continue to demonstrate their patriotic spirit, synchronize their efforts of seeking democracy and prosperity on the island with those of promoting peaceful reunification of the motherland, each person using his or her ability and through diverse channels to work for the reunification, and join us in the concerted effort to attend to state affairs; and that they urge the Kuomintang authorities to remove artificial barriers and change the policy of "no contact, no negotiation and no compromise". We hope at the same time that Hong Kong and Macao compatriots and Overseas Chinese will continue to serve as a bridge for exchanges in all fields on both sides of the Strait, and contribute their wisdom and efforts for reunification of the motherland.

We have noted that the Taiwan Kuomintang authorities always maintain the one-China stand and oppose schemes known as "two Chinas" and "independence of Taiwan"; and we are happy to find that the authorities in Taiwan have, after all, taken a few steps toward easing the tension between both sides of the Strait. Developments on the mainland at present are at the important point of invigoration and take-off, while Taiwan has the task of extricating itself from a predicament for reinvigoration. The world is changing rapidly, and people should make careful plans. It is better to help yourself than to have others help you. Friend or foe, we both spring from the same roots. Dilatoriness is fraught with dangers, present obstinacy spells future ruin. We must change with rapidly changing circumstances; and is not reunification but a return to the normal and original order of thing? Events develop according to their inherent laws, and honor and duty permit no turning back. The country should be reunified at an earlier date so that the people on both sides of the Strait can live in peace and prosperity forever and the entire Chinese nation advance in step with the developed countries of the world. On your decision hinges success or failure, honor or discredit. It is our sincere hope that the Kuomintang authorities understand their position and role in history well and, balancing advantages and disadvantages and considering their own future, do things that suit the development of events and meet popular demand. Dr Sun Yat-sen declared 70 years ago: "Persons with foresight always do things that accord with heavenly principles, popular will, the trend of world events and the need of the masses; hence their success in whatever they try to accomplish. This is how all revolutions and reforms and exploits to build up a nation have been carried out since ancient times." ("The Complete Works of Sun Yat-sen" Vol VI, p 228) How finely said! One can certainly put into practice what one truly knows, and the Kuomintang gentlemen now in power should think this over and over again. In the final analysis, their pressing task today is to make determined efforts to cast aside all unnecessary doubts and stop all empty talk, and take a bold step in the new year by blazing a new trail for the reunification of the motherland. That will certainly be a blessing for the entire Chinese people and nation, and it is the only way to ensure the well-being of the Kuomintang authorities.



U.S. POLITICAL ASYLUM FOR MAINLAND CHINESE URGED

OW070115 Taipei CHINA POST in English 4 Feb 86 p 4

[Editorial: "U.S. Grants of Political Asylum to Mainland Chinese"]

[Text] According to an analysis by the Chinese language newspaper, WORLD JOURNAL, the U.S. Government granted between Oct. 1, 1984 to Sept. 30, 1985, political asylum to only 44 persons out of 171 applicants from Red China.

Although the number is three times more than that of the preceding year, it represents, nevertheless, only one-fourth of the total applicants. The statistics also show that in fiscal 1984, a total of 318 applied for political asylum but only 15 were granted it and 192 were rejected. In fiscal 1985, 63 were rejected, 34 were still under consideration and 30 others withdrew their applications or were requested to submit additional information.

As the Chinese mainland is undergoing another phase of arbitrary persecution of dissidents in its current anti-corruption campaign the Tengists have launched another wave of wanton executions of defenseless people. Most of the applicants for political asylum in the United States will be in mortal danger upon returning to the Chinese mainland. Rejection of their applications would inevitably endanger their safety when they return to the Chinese mainland.

On humanitarian grounds, the U.S. immigration authorities should reconsider those rejections or offer an alternative of permitting them to continue to reside and work in the United States until they can find an alternative country to go to. But they should not be repatriated to the Chinese mainland as it would mean for them certain punishment by the Chinese Communist authorities.

PLANS TO BUILD UP INDIGENOUS DEFENSE INDUSTRY

OW011445 Taipei CNA in English 1421 GMT 1 Feb 86

[Text] Taipei, Feb. 1 (CNA) -- The Executive Yuan said Saturday that in fiscal 1987 the government will strengthen cooperation with the private sector in order to build up an indigenous defense industry at an early date.

In a report to the Legislative Yuan on its administrative guideline for fiscal 1987, the yuan said the priority of its efforts in this respect will be placed on the research and development of advanced fighters, naval vessels and armored vehicles.

In the meantime, the government will improve its security equipment and mobilization ability in order to prevent unlawful elements from undermining the social stability.

In addition to training more scientists and engineers for the defense industry and introducing into this nation more advanced technologies, the government will accelerate its pace in setting up an automatic defense command system, updating electronic equipment of the Navy and Air Force, and enhancing the combat ability of coastal artillery and missile units in order to maintain air and sea supremacy in the Taiwan Strait.

CHENG MING VIEWS HU QIAOMU'S RECENT ACTIONS

HK060125 Hong Kong CHENG MING in Chinese No 100, 1 Feb 86 pp 12, 85

["Notes on a Northern Journey" by Luo Ping: "Hu Qiaomu's Recent Performance"]

[Text] The Essential Victory of Justice

Recently, there have been many changes in China's ideological field. This suggests that the struggle at the supreme level of the CPC is very complicated. The "tightening of control" in the ideological field has met with strong resistance and opposition.

After the transient "golden time" during the meeting of the writers' association in early 1985, Hu Yaobang made two speeches (the February speech to the press and the April speech to literature and art circles) under pressure, setting the tone for tightening control in the ideological field. These two speeches have brought China's cultural activities to a low ebb. Originally, Hu Jiwei was supposed to be in charge of drafting the press law, which was to be completed by the end of last year and submitted to the NPC for examination early this year, but nothing has come out so far; and the proposal on "freedom of creation" in literature and art has been replaced by "writers' sense of responsibility for society" and "social benefit."

On the other hand, however, the suppressed group of people took silent action in lieu of resistance and scored a series of essential victories in 1985: Liu Binyan, who was to be "expelled" from the press, was allowed to remain in RENMIN RIBAO as a senior reporter; a group of "rebellious" youths in literature and art circles were finally recognized by the authorities; seven members of the Chinese Writers Association started their activities; some old and modern poets were allowed to go abroad for a visit; and as a result of the efforts made by the committee for protecting the rights and welfare of writers. Xu Jingya, who had been relieved of his post for examination in Shenzhen, was permitted to return to work, and Qu Youyuan, a democratic poet in the northeast who had been arrested on a "fabricated" charge as a counterrevolutionary, was finally released....

There was no one in cultural circles in Beijing who did not exclaim with happiness at the mention of all this. They remarked that the waves of reforms and democracy were irresistible and that if the fifth literature and art congress could be opened soon, there would be another "literature and art spring."

#### Hu Qiaomu "Offers a Humble Apology"

The victory of the open-minded faction in literature and art circles has made Hu Qiaomu, leader of the conservatives, feel that the situation is unfavorable to him. Intentionally or unintentionally, Hu Qiaomu has been "abnormal" recently.

At the fourth writers' congress, some participants boldly criticized Hu Qiaomu, Deng Liqun, and He Jingzhi for their "leftist ways of doing things. The bravest in counter-attacking the "leftist kings" in literature and art circles was playwright Wu Zhuguang, who accused He Jingzhi and the like of persecuting him and claimed that he would never knuckle under. Taking account of the "overall" situation, Hu Qiaomu treated Wu Zhuguang with increased respect and took the initiative in "uniting" with this much-respected writer. Not long ago, Hu Qiaomu went in a Hongqi car to an apartment building near the Beijing workers' stadium and paid Wu Zhuguang a "special visit." Wu Zhuguang lives on the eighth floor but there is no elevator in the building. As Hu Qiaomu was not strong enough to go up to the eighth floor, he has two assistants help him up.

A friend of mine who knows Hu Qiaomu and Wu Zhuguang told me that the purpose of Hu's visit was to make an apology to Wu -- to admit that what he did in the past hurt the feelings of some comrades. People in literature and art circles in Beijing described this as "offering a humble apology," but they did not know whether the apology was sincere.

"Dear Shu Ting"

Hu Qiaomu never forgets to make contact with young writers who have exceptional talent. Shu Ting, a female a little over 30 who was elected a member of the board of the Chinese Writers' Association at its fourth congress, was listed among the 10 young poets selected by LHASA WANBAO [LHASA EVENING NEWS] readers last year. Subsequently, she was elected vice chairman of the Fujian Writers' Association. In autumn last year, Hu Qiaomu made a special trip to Gulangyu, Xiamen, to "visit" this female poet of the "obscure faction." There Hu Qiaomu expressed his objection to criticism of the "obscure faction."

It was said that they talked for as long as half a day and that Hu Qiaomu spoke highly of Shu Ting's poetic style and asserted that there would be no more criticism of the "obscure faction."

Not long after this, Hu Qiaomu, full of sentiment for this female poet, wrote her a letter addressing her as "Dear Shu Ting." A week later, Hu Qiaomu wrote her another letter saying that the word "dear" was not appropriate and should be "corrected" to "comrade." Some people praised Hu Qiaomu, saying that he had the style of a superior.

Leniency Toward Liu Binyan

Hu Qiaomu has always looked upon Liu Binyan as "one who holds different political views." Although Liu Binyan is a "comrade" in the party, he usually fails to "keep abreast of the CPC Central Committee." Therefore, Hu Qiaomu does not have a good opinion of him. But as Hu Yaobang holds a different view on Liu Binyan and public opinion at home and abroad is in Liu Binyan's favor, Hu Qiaomu can do nothing to him. Recently, some people suggested that Liu Binyan leave RENMIN RIBAO, but Hu Qiaomu showed his generosity, saying that "it would be better for Liu Binyan to retain his position at RENMIN RIBAO." Since these remarks have saved Liu Binyan's life, should he not be deeply grateful to Hu Qiaomu?

However, Hu Qiaomu adopts a different attitude toward "comrades in the party who can keep abreast of the CPC Central Committee."

Wang Meng's fate is different from that of Liu Binyan or Wang Ruowang. Wang Meng has experienced gradual promotions in recent years, and he was elected member of the CPC Central Committee at the National Conference of Party Delegates last year. Although Wang Meng is not the first leader of the cultural federation or the writers' association, he is actually the No 1 person in literature and art circles. In balancing the relationship between the writers contingent and the CPC, no one can substitute for him. The writers call him the "literature and art viceroy."

A "Verbal Battle" Between Wang Meng and Hu Qiaomu

Since Wang Meng became chief editor of RENMIN WENXUE, he has hoped to make some prominent achievements. Over the past year, RENMIN WENXUE has carried a number of significant articles that have aroused certain arguments among readers, such as "You Should Make a Choice" by Liu Suola (in the March 1985 issue), "Flowers Which Are Not Flowers" by Wu Liwei (in the April issue) "Father, Father, Father" by Han Shaogon (in the June issue), "May 19th Telephoto Lens" by Liu Xinwu (in the July issue), and "Mr Hei" by Jia Pingau (in the October issue). The emergence of these works has injected vitality into literature and art circles, given readers fresh feelings, and aroused arguments among critics.



The majority of readers speak highly of these works, but some people assert that they reflect "empty inspiration," "Laozi and Zhuangzi philosophy," "decadent ideology," and "unhealthy feelings."

Not long ago, taking the opportunity of "tightening control" in literature and art circles, Hu Qiaomu went looking for Wang Meng to lecture him on morals. Hu Qiaomu asked Wang Meng why RENMIN WENXUE had carried so many "unhealthy works," and demanded that Wang Meng explain. Unexpectedly, Wang Meng said: "You have read all these works, haven't you?" Hu Qiaomu replied that he had read only some of them. Wang Meng told him to come back again after he had read all those works. In the end, Hu Qiaomu himself was in for trouble.

#### The "Prescription Study" of RENMIN WENXUE

Naturally, this does not mean that Wang Meng does not have any misgivings whatsoever. However, since he has taken over as editor in chief of RENMIN WENXUE, he has been forced to do something desperate. He does not necessarily like those works but he can put up with them. Particularly when the sales volume of RENMIN WENXUE had dropped from more than 1 million copies at its height to a couple of hundred thousand copies, there is indeed a need for different styles of works in order to win over different readers.

In Chinese literary circles there has always been a "prescription study." This "theory" of prescription, characterized by "70 percent achievements and 30 percent mistakes" or "80 percent achievements and 20 percent mistakes," was reportedly derived from the dangerous political situation. As a "governor general of literature and art," Wang Meng is naturally familiar with this. Therefore, he will never act indiscriminately regarding the lists and contents of RENMIN WENXUE articles lest Hu Qiaomu seize on his mistakes. That is precisely why he asked Hu to "discuss the articles after he read all of them."

Wang Meng knows that Hu Qiaomu can do nothing to him, but he should not behave in an unbridled manner either because the situation is tense. For this reason, at the work conference of the Chinese Writers Association, he vigorously stressed the need to strengthen the writers "sense of social responsibility" and denounced some unhealthy trends in literary creation.

RENMIN WENXUE was reported to have canceled at the last moment the typesetting of some articles regarded as "problematic." The authors of these articles were previously notified that their works would be published. Calculating the RENMIN WENXUE would not dare to publish many of the good works sent to the Editorial Department in the near future, the authors recently sent them out of the capital. Some have been sent to Shanghai, where some magazines are getting ready to publish them.

#### Was Hu Qiaomu's Recent Performance Abnormal?

After reading the reports on Hu Qiaomu's recent behavior, the readers will probably ask: Is Hu Qiaomu acting a little oddly these days? No. As far as Hu Qiaomu is concerned, the contradictions between the present and the past and between words and deeds are normal. In recent years he said that the formulation that literature and art should serve politics is not good. However, when the literature and art circles asked him to write articles according to this viewpoint, he procrastinated. To go back a little farther, Hu made some erroneous remarks about Deng Xiaoping during the "Cultural Revolution." However, the "Resolution of Certain Questions in the History of the Party Since the Founding of the PRC," which Deng Xiaoping wanted approved at the party meeting, was chiefly written by Hu. Some people asked: Why was the "Resolution" so lenient toward Mao Zedong? Hu Qiaomu said: The original manuscript included the historic and class reasons behind Mao Zedong's mistakes.

However, due to the principle that it "should be in rough outline and not go into so much detail" (it was Deng's instruction -- author), they were deleted. He also said: "You should not oppose this or that; it is not easy even to attain such a result (referring to the "Resolution")." We can thus see that Hu Qiaomu is the same as he was before.

What is he like?

You can draw your own conclusion, can't you?

#### HONG KONG POLICE ARREST 5 BAMBOO UNION MEMBERS

HK060408 Hong Kong HONG KONG STANDARD in English 6 Feb 86 p 3

[Text] Five senior members of the Taiwanese Bamboo Union in Hong Kong have been arrested in swoops throughout the territory on Tuesday, police reported yesterday. The "top secret" joint operation by officers of the Organised and Serious Crime Bureau and the Commerical Crime Bureau followed lengthy investigations into the activities of Taiwan's Chuk Luen Bong (Bamboo Union) members here.

In the operation, detectives working under instructions from Detective Senior Superintendent Peter Lee Lan-chuen raided nine premises throughout the territory believed to be the frequent haunts for members of the Taiwanese triads. Police declined to give more information on the raids but said they were carrying out follow-up investigations into a triad society in Hong Kong. However, police said the arrested men have been charged with offences relating to assisting in the management of a triad society and being office-bearers of the Taiwan-based Chuk Luen Bong (Bamboo Union) gang.

The Chuk Luen Bong members are known to have been involved in the murder of journalist Henry Liu in Daly City, California, last year.

#### XU JIATUN DENIES RUMORS OF PENDING RETIREMENT

HK060410 Hong Kong HONG KONG STANDARD in English 6 Feb 86 p 3

[Text] China's top official in Hong Kong denied yesterday he is to retire this year. Mr Xu Jiataun, director of XINHUA NEWS AGENCY in Hong Kong, said an earlier report about his immediate retirement is a totally groundless rumour. Mr Xu told the press yesterday he personally would like to retire this year because he is well above the age of retirement. But he quickly added that the matter is not up to him to decide. It will be decided by Beijing. He declined to speculate on a date for his retirement.

The question of his retirement arose when a report was published in CHENG MING, an authoritative magazine on China, saying Beijing had decided to replace Mr Xu this year. Mr Xu was in China at the time. A few weeks later, Mr Qiao Zonghui, deputy secretary-general of XINHUA NEWS AGENCY, told the press during a social function that Mr Xu was only on vacation in China. It was not until yesterday that Mr Xu appeared publicly to deny the rumour.

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